DOCUMENT RESUME

ED 082 717 HE 004 763

| | |
|---|---|
| TITLE | State Financial Assistance to Private Higher Education. |
| INSTITUTION | Bivens and Associates, Inc., Dover, Del. |
| SPONS AGENCY | Delaware State Higher Educational Aid Advisory Committee, Wilmington. |
| PUB DATE | Jun 73 |
| NOTE | 130p. |
| EDRS PRICE | MF-$0.65 HC-$6.58 |
| DESCRIPTORS | *Educational Finance; Educational Objectives; *Financial Support; *Higher Education; *Private Colleges; *State Aid; State Schools; Statewide Planning |
| IDENTIFIERS | *Delaware |

ABSTRACT

This study has been directed toward the determination of the scope and nature of state financial assistance to private higher education institutions in the various states. An evaluation and analysis of the data collected for this project leads to the following conclusions: (1) Private higher education institutions in Delaware as well as in other states provide a valuable service and have a role to play in meeting the educational needs of Delaware students. (2) It is in the highest public interest to preserve the vitality of Delaware's private colleges. (3) A precedent has already been established for public assistance to students in Delaware based on the provision of scholarships to students pursuing courses of study in special areas. (4) Thirty-five states have established some type of public financial assistance for private higher education clearly demonstrating the need for such a program. (5) The most common method of state financial aid to private higher education is by means of aid to students. A recommendation of the study states that consideration should be given to some form of financial assistance to private higher education in Delaware in the future. (Author/PG)

FILMED FROM BEST AVAILABLE COPY

ED 082717

# STATE FINANCIAL ASSISTANCE TO PRIVATE HIGHER EDUCATION

U.S. DEPARTMENT OF HEALTH, EDUCATION & WELFARE
NATIONAL INSTITUTE OF EDUCATION
THIS DOCUMENT HAS BEEN REPRODUCED EXACTLY AS RECEIVED FROM THE PERSON OR ORGANIZATION ORIGINATING IT. POINTS OF VIEW OR OPINIONS STATED DO NOT NECESSARILY REPRESENT OFFICIAL NATIONAL INSTITUTE OF EDUCATION POSITION OR POLICY

Prepared for the

Four Private Delaware Colleges

BRANDYWINE COLLEGE
GOLDEY BEACOM COLLEGE
WESLEY COLLEGE
WILMINGTON COLLEGE

HE 004763

ED 087111

# STATE FINANCIAL ASSISTANCE TO PRIVATE HIGHER EDUCATION

Prepared for the

Four Private Delaware Colleges

Brandywine College
Goldey Beacom College
Wesley College
Wilmington College

June 1973

By

Bivens & Associates, Inc.
231 West Loockerman Street
Dover, Delaware 19901
302/674-4819

635 West Indian School Road
Phoenix, Arizona 85013
602/279-1913

The preparation of this report has been financed through a Basic Planning Grant authorized under the Higher Education Facilities Comprehensive Planning Grants Program

TABLE OF CONTENTS


| | Page |
|---|---|
| INTRODUCTION | |
| Background | vi |
| Scope of Study | vi |
| SECTION I: CONCLUSIONS AND RECOMMENDATIONS | |
| Conclusions | I-1 |
| Recommendations | I-3 |
| SECTION II: THE NEED FOR PUBLIC ASSISTANCE | |
| Importance of the Private Institutions | II-1 |
| The Financial Crunch | II-6 |
| SECTION III: METHODS OF FINANCIAL ASSISTANCE | |
| Basic Objectives of Assistance Programs | III-1 |
| Student Support Programs | III-1 |
| Guaranteed Loan Programs | III-3 |
| Service Scholarships or Loan Programs | III-4 |
| General Scholarship Programs | III-4 |
| Grants-In-Aid | III-5 |
| Institutional Support | III-7 |
| Operating Support of Private Institutions | III-7 |
| Direct Grants | III-8 |
| Contracts For Educational Services | III-10 |
| General Maintenance Appropriations | III-13 |
| SECTION IV: PROBLEMS CREATED BY NEW STATE-PRIVATE COLLEGE RELATIONSHIPS | |
| The Constitutionality Question | IV-2 |
| SECTION V: STATE FINANCIAL ASSISTANCE PROGRAMS FOR PRIVATE HIGHER EDUCATION | |
| Introduction | V-1 |
| Alabama | V-2 |
| Alaska | V-2 |

| | Page |
|---|---|
| Arizona | V-2 |
| Arkansas | V-3 |
| California | V-3 |
| Colorado | V-3 |
| Connecticut | V-3 |
| Delaware | V-4 |
| Florida | V-4 |
| Georgia | V-4 |
| Hawaii | V-5 |
| Idaho | V-5 |
| Illinois | V-5 |
| Indiana | V-6 |
| Iowa | V-6 |
| Kansas | V-6 |
| Kentucky | V-7 |
| Louisiana | V-7 |
| Maine | V-7 |
| Maryland | V-8 |
| Massachusetts | V-8 |
| Michigan | V-9 |
| Minnesota | V-10 |
| Mississippi | V-10 |
| Missouri | V-10 |
| Montana | V-11 |
| Nebraska | V-11 |
| Nevada | V-11 |
| New Hampshire | V-11 |
| New Jersey | V-11 |
| New Mexico | V-12 |
| New York | V-13 |
| North Carolina | V-14 |
| North Dakota | V-15 |
| Ohio | V-15 |
| Oklahoma | V-15 |
| Oregon | V-15 |
| Pennsylvania | V-16 |
| Rhode Island | V-16 |
| South Carolina | V-17 |
| South Dakota | V-17 |
| Tennessee | V-17 |
| Texas | V-17 |
| Utah | V-18 |
| Vermont | V-18 |

| | Page |
|---|---|
| Virginia | V-18 |
| Washington | V-19 |
| West Virginia | V-19 |
| Wisconsin | V-19 |
| Wyoming | V-20 |
| SECTION VI: STATES' EXPERIENCE REGARDING THE DEVELOPMENT OF AID PROGRAMS | |
| Comments From States Having Aid Programs | VI-2 |
| Comments From States Not Having Aid Programs | V-10 |
| SECTION VII: HIGHER EDUCATION IN DELAWARE | |
| Introduction | VII-1 |
| Delaware Institutions of Higher Education | VII-2 |
| Brief Description of Institutions | VII-6 |
| Delaware State College | VII-6 |
| Delaware Technical and Community College | VII-7 |
| University of Delaware | VII-8 |
| Brandywine College | VII-8 |
| Goldey Beacom College | VII-10 |
| Wesley College | VII-11 |
| Wilmington College | VII-13 |
| State Aid to Private Higher Education In Delaware | VII-16 |
| Constitutional Provisions | VII-16 |
| Existing State Aid Programs | VII-17 |
| SECTION VIII: APPENDIX | VIII-1 |
| SECTION IX: LIST OF REFERENCES | IX-1 |

## LIST OF TABLES


| | | Page |
|---|---|---|
| TABLE 1. | State Support of Private Higher Education | I-5 |
| TABLE 2. | A Sampling Of Tuition Boosts On The Way | II-7 |
| TABLE 3. | Weighted Average Tuition And Fees 1958-59 to 1968-69 | II-8 |
| TABLE 4. | Estimated Average Charges Per Full-Time Undergraduate Resident Degree-Credit Student In Institutions Of Higher Education, By Institutional Type And Control: United States, 1960-61 to 1972-73 | II-9 |
| TABLE 5. | Estimated Average Charges (1970-71 Dollars) Per Full-Time Undergraduate Resident Degree - Credit Student In Institutions Of Higher Education, By Institutional Type And Control: United States, 1974-75 to 1980-81 | II-10 |
| TABLE 6. | Percent Of Current-Fund Revenue Of Institutions Of Higher Education From State And Local Governments Related To Total Current-Fund Revenue, By Control Of Institution And By State: 1968-69 | II-17 |
| TABLE 7. | Source And Amount Of Funds United States Institutions Of Higher Education: 1961-62 to 1967-68 | II-18 |
| TABLE 8. | Enrollments, Delaware Higher Education Institutions | VII-4 |
| TABLE 9. | Tuition/Fees Delaware Higher Institutions | VII-5 |

# INTRODUCTION

## BACKGROUND

The Delaware Higher Educational Aid Advisory Commission was the recipient of a Basic Planning Grant authorized under the Higher Education Facilities Comprehensive Planning Grants Program. Part of this grant was earmarked for the purpose of carrying out a study of existing methods of state financial assistance to private higher education institutions throughout the Nation. It was felt that such an examination of what other states are doing will provide guidance and direction for Delaware's private colleges in terms of feasible recommendations to the state legislature.

## SCOPE OF STUDY

The main thrust of this study has been directed towards the determination of the scope and nature of state financial assistance to private higher education institutions in the various states. This "state of the art" approach is considered basic to the intelligent planning and formulation of any potential aid plan for Delaware's private colleges. In this respect, the report serves as important background data from which future measures may be developed.

It must be made clear, however, that the report will not serve as a vehicle by which immediate legislation can be

justified. On the contrary, experience learned from the various states indicates that the road toward such legislation is often long, painful and frustrating. Many considerations beyond the scope of this report must be made. The question of constitutionality, a more thorough examination of Delaware's peculiar situation (only one university in the entire state) and the identification and acceptance of over-all goals and objectives for higher education in Delaware, are among the many considerations that have to be made.

In this report recommendations regarding potential assistance methods for the State of Delaware are general in nature. To out-line specific programs at this point would be entirely premature.

# SECTION I

# CONCLUSIONS AND RECOMMENDATIONS

## CONCLUSIONS AND RECOMMENDATIONS

This study has been directed towards the determination of the scope and nature of state financial assistance to private higher education institutions in the various states. Table 1 summarizes this assistance by state. With this knowledge and information it is possible for the private colleges to work cooperatively with state legislative leaders and the Administration to ascertain the type of financial assistance program which will best meet the needs in Delaware. Based on the research conducted as a part of this project, certain conclusions and recommendations have been made. These are briefly discussed below.

### CONCLUSIONS

An evaluation and analysis of the data collected for this project leads to the following conclusions:

1. Private higher education institutions in Delaware as well as in other states provide a valuable service and have a role to play in meeting the educational needs of Delaware students.
2. It is in the highest public interest to preserve the vitality of Delaware's private colleges.

3. Delaware students wishing to attend private colleges in the State are at a financial disadvantage because of the cost differential between public and private Delaware institutions.
4. A precedent has already been established for public assistance to students in Delaware based on the provision of scholarships to students pursuing courses of study in special areas.
5. Thirty-five states have established some type of public financial assistance program for private higher education clearly demonstrating the need for such programs.
6. The most common method of state financial assistance to private higher education is by means of aid to students rather than direct aid to institutions.
7. The establishment of public financial assistance schemes for private higher education is usually a difficult and time consuming process requiring

enlightened leadership and continuing attention for several legislative sessions.

RECOMMENDATIONS

The scope of this project, the scheduled time frame for completion as well as financial constraints did not allow for a detailed study of the financial aspects of Delaware's public and private colleges. The development of specific public financial assistance programs in legislative format for Delaware is a necessary subsequent step to this study.

The following recommendations are made as a result of this study:

1. It is recommended that the state of Delaware give due consideration to some form of public financial assistance to private higher education in the State.
2. It is recommended that public financial assistance to private higher education be supplemental to the support of public institutions in Delaware.
3. If public financial assistance to private higher education in Delaware is found to be acceptable to the legislature it is recom-

mended that special consideration be given to direct assistance to students (scholarships, loans and/or tuition grants) since this appears to be the most feasible method of assistance.

4. It is recommended that private higher education institutions in Delaware form a committee to evaluate the information contained in this report and to formulate cooperatively with legislative leadership, the legislation necessary to implement a program of public financial assistance.

5. It is recommended that the programs and practices of state aid to private institutions implemented by other states be carefully evaluated for their potential application to Delaware.

6. It is recommended that any State constitutional restrictions inhibiting state aid to private institutions of higher education in Delaware be eliminated.

TABLE 1

STATE SUPPORT OF PRIVATE HIGHER EDUCATION
(Compiled as of April, 1973)

| STATE | GENERAL SUPPORT | | SPECIAL SUPPORT* | |
|---|---|---|---|---|
| | STUDENT AID | DIRECT INSTIT AID | STUDENT AID | DIRECT INSTIT AID |
| ALABAMA | P | $ | | $ |
| ALASKA | $ | | | |
| ARIZONA | P | | | |
| ARKANSAS | P | | | |
| CALIFORNIA | $ | | $ | $ |
| COLORADO | | | | |
| CONNECTICUT | $ | $ | $ | $ |
| DELAWARE | | | $ | |
| FLORIDA | $ | | | $ |
| GEORGIA | $ | | | $ |
| HAWAII | | | | |
| IDAHO | | | | |
| ILLINOIS | $ | $ | | $ |
| INDIANA | $ | | | |
| IOWA | $ | | | |
| KANSAS | $ | | | |
| KENTUCKY | $ | | | |
| LOUISIANA | L | | $ | |
| MAINE | $ | | | $ |
| MARYLAND | $ | $ | $ | |
| MASSACHUSETTS | P | P | $ | |
| MICHIGAN | $ | | | $ |
| MINNESOTA | $ | $ | | $ |
| MISSISSIPPI | P | | | |
| MISSOURI | $ | | | |
| MONTANA | | | | |
| NEBRASKA | $ | | | |
| NEVADA | | | | |
| NEW HAMPSHIRE | | | | |
| NEW JERSEY | $ | $ | $ | $ |
| NEW MEXICO | | | | |
| NEW YORK | $ | $ | $ | $ |
| NORTH CAROLINA | $ | $ | $ | $ |
| NORTH DAKOTA | | | | |
| OHIO | $ | | | $ |
| OKLAHOMA | $ | | | |
| OREGON | $ | $ | | |
| PENNSYLVANIA | $ | $ | | |
| RHODE ISLAND | $ | | $ | $ |
| SOUTH CAROLINA | $ | | | $ |
| SOUTH DAKOTA | | | | |
| TENNESSEE | $ | | $ | $ |
| TEXAS | $ | | | $ |
| UTAH | | | | |
| VERMONT | $ | P | | |
| VIRGINIA | L | | $ | |
| WASHINGTON | $ | | | |
| WEST VIRGINIA | $ | | | |
| WISCONSIN | $ | | $ | $ |
| WYOMING | | | | |

* - Medical/Dental/Nursing/Teacher/Other Specialized Training
$ - Tuition Grants/Scholarships/Institutional Aid
P - Proposed Tuition Grants/Scholarships Program
L - Loan Program Only

Source: Bivens & Associates, Inc.

# SECTION II

# THE NEED
# FOR
# PUBLIC ASSISTANCE

# THE NEED FOR PUBLIC ASSISTANCE

## IMPORTANCE OF THE PRIVATE INSTITUTIONS

There is undeniably a clear public interest in maintaining the vitality of America's private colleges and universities. If this were not so, public assistance programs to aid private higher education that exist today in about three fourths of the states are based on fallacious reasoning and should be stricken from the various statutes.

The concept of private institutions serving a public purpose has long been recognized by all levels of government. For example, practically all the states exempt private higher education institutions from the requirement to pay property and gift taxes. Moreover, these institutions are administered as public trusts through boards of trustees.

From the national standpoint, this public purpose has been manifested by federal assistance programs for both public and private higher education authorized by the last five Congresses.

What is the nature of this public interest in the well-being of private colleges and universities? First of all, the private institutions contribute directly to the public welfare by educating people who subsequently assume constructive and

important roles in all areas of our society. For example, 43% of all colleges and universities in this Country are privately administered and enroll 23% (1973) of all students enrolled in higher education institutions. Approximately one-third of all graduate enrollment is in private colleges and universities, while about one-half of all doctorates awarded have been through private institutions. Students from private colleges and universities have won approximately half of all Rhodes Scholarships awarded American students during the last decade, while faculty members of private institutions have won 29 of the last 41 Nobel Prizes for scientific research awarded Americans. Most importantly, thousands of other private institution graduates leave academic halls yearly to assume responsible places in American society. It is clear, then, that from an economic standpoint, private institutions have channeled private funds into what are, in good measure, public uses.

If private colleges and universities would cease to exist, the financial and other burdens on the rest of our higher education system would be unmanageable. It would be doubtful whether or not our education system as a whole could effectively function.

The pragmatic argument for preserving the vitality of

[1] Down from 40% in 1960

our private colleges and universities is not the only argument for a continuing public interest in their well-being. There are other reasons, some not easily quantified but perhaps equally important. For example, private colleges and universities, functioning alongside of public institutions, promote "institutional freedom." The tradition of freedom and diversity in American higher education has been with us since colonial times when the search for religious freedom and tolerance brought the first settlers to America. The existence of private higher education institutions gives the student a freedom of choice as to which institution he would like to attend. No other country offers its students as many variations and options, under so many different auspices, to serve so many different kinds of students. If private higher education institutions in this Country were to significantly lose their vitality, there will be no effective choice for the student. To phrase the problem more directly; if the difference in cost between private and public institutions is too great, the student will have no effective choice.

American society has nurtured a dual higher educational system which together have performed a valuable public function. Both facets of this system, public and private, have

contributed a large share of the intellectual, scientific and technological achievements of our society. A careful balance has existed between private choice and initiative on the one hand and provisions by the state for the public good on the other.

This discussion in no manner is meant to imply a downgrading of the public institution's role. The remarkable accomplishments of state supported institutions in this country in absorbing and educating enormous numbers of new students while at the same time excelling in graduate education and research are known and admired by all. The point to be made is that the contribution of the two is what has made American higher education so strong and flexible. This complementary purpose must be sustained. The Carnegie Commission on higher education in addressing itself to the subject of public interest in the private institutions stated:

> The special contributions and problems of the private institutions must be seen in the light of their role as an essential component of a diverse, complex, diffuse, and yet highly responsive system of higher education, a system whose value to the Nation has been amply demonstrated. In this context, private institutions appear in proper perspective as a precious set of "assets-in-being." They help to promote freedom, diversity, and excellence. If their effectiveness

is impaired, American higher education as a whole will suffer. [2]

[2] Carnegie Commission On Higher Education, The Economics of The Major Private Universities

THE FINANCIAL CRUNCH

Privately supported institutions of higher education in the United States face severe fiscal problems some bordering on insolvency.

> Biggest cost increases next September are to come at private schools, where inflation is blamed for pushing up the price of almost all services.[3]

Dr. Elden Smith, Executive Director of the National Council of Independent Colleges and Universities echoed the above prediction of the U.S. News and World Report when he said:

> Some colleges are in a state of panic. Unless the aid picture clears up very soon, many private colleges could open this fall (1973) with disastrously low enrollments.[4]

It is not only the small, relatively obscure and poorly endowed colleges that are suffering economic hardship. Table 2 below which includes several large and prestigious universities gives a clear indication of the problem of increased costs. Moreover, the gap between tuition/fees/charges of public and private institutions can be appreciated by a review of tables 3, 4 and 5.

[3] U.S. News And World Report, April 9, 1973.

[4] Ibid

TABLE 2

A SAMPLING OF TUITION BOOSTS
ON THE WAY -

Increases in tuition alone for college
year starting next September -

IVY LEAGUE COLLEGES

| | |
|---|---|
| Brown University, Providence | Up $200 to $3,250 |
| Dartmouth College, Hanover, N.H. | Up $210 to $3,270 |
| Cornell University, Ithaca, N.Y. | Up $180 to $3,180 |
| Harvard University, Cambridge, Mass | Up $200 to $3,200 |
| Princeton University, Princeton, N.J. | Up $250 to $3,300 |
| Yale University, New Haven | Up $200 to $3,400 |

OTHER PRIVATE COLLEGES

| | |
|---|---|
| Alfred University, Alfred, N.Y. | Up $150 to $2,800 |
| Baldwin-Wallace College, Berea, Ohio | Up $185 to $2,429 |
| Boston College | Up $50 to $2,650 |
| University of Chicago | Up $225 to $2,850 |
| University of Denver | Up $150 to $2,700 |
| DePauw University, Greencastle, Ind. | Up $200 to $2,650 |
| Drake University, Des Moines | Up $200 to $2,320 |
| Emory University, Atlanta | Up $150 to $2,550 |
| Georgetown University | Up $100 to $2,500 |
| Johns Hopkins University, Baltimore | Up $300 to $3,000 |
| LaVerne College, Calif. | Up $130 to $2,130 |
| Lewis and Clark College, Portland, Oreg. | Up $159 to $2,474 |
| Macalester College, St. Paul, Minn. | Up $150 to $2,400 |
| Massachusetts Institute of Technology, Cambridge, Mass. | Up $200 to $3,100 |
| University of San Francisco | Up $158 to $1,950 |
| Stanford University, Stanford, Calif. | Up $285 to $3,135 |
| Syracuse University | Up $140 to $2,880 |
| Vassar College, Poughkeepsie, N.Y. | Up $200 to $2,900 |

PUBLIC COLLEGES

| | |
|---|---|
| Adirondacks Community College, Glens Falls, N.Y. | Up $50 to $550 |
| Auburn University, Auburn, Ala. | |
| State residents | Up $75 to $525 |
| Out-of-State residents | Up $150 to $1,050 |
| Colorado State University, Fort Collins | |
| State residents | Up $9 to $405 |
| Out-of-State residents | Up $36 to $1,621 |
| University of Massachusetts, Amherst | |
| State residents | Up $50 to $300 |
| Out-of-State residents | Up $250 to $1,100 |
| University of Tennessee, Knoxville | |
| Out-of-State residents | Up $90 to $810 |
| University of Vermont, Burlington | |
| Out-of-State residents | Up $150 to $2,550 |

Source: U.S. News & World Report, April 9, 1973

TABLE 3
WEIGHTED AVERAGE TUITION AND FEES
1958-59 to 1968-69

| Year | Public Universities | Private Universities | Private Colleges | Private Junior Colleges | All Private Institutions |
|---|---|---|---|---|---|
| 1958-59 | $ 164 | $ 768 | $ 650 | $ 598 | $ 716 |
| 1959-60 | 183 | 825 | 675 | 612 | 757 |
| 1960-61 | 192 | 833 | 697 | 640 | 770 |
| 1961-62 | 202 | 954 | 817 | 713 | 889 |
| 1962-63 | 214 | 1,001 | 871 | 732 | 938 |
| 1963-64 | 220 | 1,104 | 921 | 813 | 1,017 |
| 1964-65 | 218 | 1,176 | 999 | 871 | 1,091 |
| 1965-66 | 237 | 1,298 | 1,071 | 920 | 1,181 |
| 1966-67 | 248 | 1,365 | 1,154 | 973 | 1,254 |
| 1967-68 | 248 | 1,465 | 1,254 | 1,053 | 1,356 |
| 1968-69 | 252 | 1,575 | 1,378 | 1,114 | 1,472 |
| Percentage Increase from 1958-69 to 1968-69 | 53 | 105 | 112 | 86 | 105 |

Source: Standard Education Almanac, 1972

TABLE 4

ESTIMATED AVERAGE CHARGES (CURRENT DOLLARS) PER FULL-TIME UNDERGRADUATE RESIDENT DEGREE-CREDIT STUDENT IN INSTITUTIONS OF HIGHER EDUCATION, BY INSTITUTIONAL TYPE AND CONTROL: UNITED STATES, 1960-61 TO 1972-73,

| Year and control | Total tuition, board, and room | | | |
|---|---|---|---|---|
| | All | University | Other 4-year | 2-year |
| (1) | (2) | (3) | (4) | (5) |
| 1960-61 | | | | |
| Public | 840 | 919 | 765 | 576 |
| Nonpublic | 1,602 | 1,806 | 1,503 | 1,124 |
| 1965-66 | | | | |
| Public | 983 | 1,106 | 903 | 671 |
| Nonpublic | 2,004 | 2,317 | 1,898 | 1,559 |
| 1970-71 | | | | |
| Public | 1,273 | 1,435 | 1,224 | 1,028 |
| Nonpublic | 2,712 | 3,129 | 2,625 | 2,251 |
| 1971-72 | | | | |
| Public | 1,349 | 1,527 | 1,305 | 1,098 |
| Nonpublic | 2,906 | 3,354 | 2,820 | 2,441 |
| 1972-73 | | | | |
| Public | 1,428 | 1,621 | 1,390 | 1,168 |
| Nonpublic | 3,107 | 3,586 | 3,022 | 2,636 |

Source: Standard Education Almanac, 1972

TABLE 5
ESTIMATED AVERAGE CHARGES (1970-71 DOLLARS) PER FULL TIME UNDERGRADUATE RESIDENT DEGREE-CREDIT STUDENT IN INSTITUTIONS OF HIGHER EDUCATION, BY INSTITUTIONAL TYPE AND CONTROL: UNITED STATES, 1974-75 TO 1980-81

| Year and control | Total tuition, board, and room | | | |
|---|---|---|---|---|
| | All | University | Other 4-year | 2-year |
| (1) | (2) | (3) | (4) | (5) |
| 1974-75: | | | | |
| Public | 1,344 | 1,534 | 1,321 | 1,116 |
| Nonpublic | 2,981 | 3,441 | 2,911 | 2,576 |
| 1975-76: | | | | |
| Public | 1,361 | 1,558 | 1,346 | 1,138 |
| Nonpublic | 3,047 | 3,519 | 2,983 | 2,658 |
| 1976-77: | | | | |
| Public | 1,379 | 1,583 | 1,370 | 1,161 |
| Nonpublic | 3,114 | 3,597 | 3,054 | 2,740 |
| 1977-78 | | | | |
| Public | 1,396 | 1,607 | 1,394 | 1,183 |
| Nonpublic | 3,181 | 3,674 | 3,126 | 2,821 |
| 1978-79: | | | | |
| Public | 1,414 | 1,632 | 1,419 | 1,206 |
| Nonpublic | 3,248 | 3,752 | 3,198 | 2,902 |
| 1979-80 | | | | |
| Public | 1,431 | 1,657 | 1,443 | 1,228 |
| Nonpublic | 3,316 | 3,830 | 3,269 | 2,983 |
| 1980-81: | | | | |
| Public | 1,450 | 1,681 | 1,468 | 1,249 |
| Nonpublic | 3,382 | 3,908 | 3,341 | 3,065 |

Source: Standard Education Almanac, 1972

In the last three decades American higher education has frantically attempted to keep pace with changes in population, the economy, technological development, the nature of the labor force and the educational goals of our culture. In 1930 the total enrollment of all the colleges and universities in this country numbered approximately one million students. More than one-half of these students were enrolled in private institutions. Today, over 2,500 institutions enroll some eight million students in degree granting courses. The bulk of these additional students is being absorbed by publicly supported institutions.

College and university budgets have increased for several reasons. These reasons include increased enrollments, improvements in physical facilities, the increasing complexity of equipment and services, inflation, and faculty salary increases.

Why do costs per student continue to increase ahead of the institutions ability to pay for the cost? One answer is technology. Higher education institutions have not shared in the increase of productivity enjoyed by American industry in this century. The assembly line method of production, for example, is difficult to apply to higher education. Productivity in education includes too many intangibles

which cannot be simply measured in terms of numbers of degrees awarded. This incompatibility results in an increase faster than the rate of inflation so long as educational productivity rises less rapidly than productivity in the rest of the economy.

Private institutions throughout the nation are faced with the virtual certainty that current small revenue surplus over expenditures will continue to decline and before too long will turn into a substantial deficit. In addressing itself to this problem the Illinois Commission To Study Non-Public Higher Education In Illinois concluded that:

> The evidence before the Commission clearly and persuasively supports the conclusion that financial assistance to the private institutions from public funds is imperitive. Not only does this evidence point to a future of sizeable deficits; it also reveals that the small current operating surplus disguises a low level of faculty salaries and seriously deficient educational resources and facilities. If the quality of higher education in Illinois is to be maintained, much less improved, the private institutions must obtain financial assistance immediately.[5]

Although the enrollments in private higher education institutions are increasing, the proportion attending private colleges and universities has and will continue to decrease. Private colleges are faced with the prospect of

[5] The Commission To Study Non-public Higher Education In Illinois, Strengthening Private Higher Education In Illinois, March, 1969.

having to raise tuition to the point where the cost of attending a private institution will be prohibitive compared to the cost of attending a public institution. Mounting charges will simply mean fewer enrollees.

Private higher education institutions face a decline in well-qualified students and are at a decided disadvantage in attempting to attract and keep a superior faculty. For example, the 1968 research report, Salaries in Higher Education showed that the median salary in public two year colleges was $9,165, contrasted to the median of $7,211 for private two year colleges. Although inflation and other factors have obviously increased the median salary, there is nothing to indicate any appreciable change in the disparity between the two. In a report to the American Association of Junior Colleges, Kenneth C. McKay found that:

> An academic-year salary of $8,000 is equalled or exceeded by the salaries of about 70% of faculty in public two-year colleges, but it is not equalled or exceeded by the salaries of about 70% of the faculty in the non-public two-year institutions.[6]

Two-year institutions and small four-year colleges depend to a far greater extent on student income than do the more affluent and prestigious private baccalaureate colleges and universities.

[6] Kenneth C. McKay, The Private College Study, A Report To The American Association Of Junior Colleges

A study of income and expenditure patterns of twenty-four private junior colleges showed that over 78.0% of the educational and general income of the cooperating colleges consisted of student fees. Moreover, only 5.0% of the total educational and general income of the participating junior colleges came from endowment earnings. Small four-year colleges face equally grim income problems. It is estimated for example that as high as 95.0% of the educational and general income of many small, new four-year colleges is derived from student fees.

In general, two-year non-public colleges have smaller student enrollments than the other colleges. Half of all private junior colleges have student populations between 500 and 1,000. Similarly, a great many small baccalaureate institutions have small enrollments.

Many of the private higher education institutions are groping in the dark at their financial problems. The junior colleges and relatively small, new four-year colleges are particularly perplexed since they are generally too small or too new to muster an effective alumni appeal and endowment earnings are in most cases small or non-existent.

Many are caught in a cruel anomaly of academic life that accreditation requires financial stability but that nonaccred-

itation often discourages the financial assistance which can help assure the necessary financial stability.

Some argue that since federal aid under the Higher Education Amendments of 1972 (not yet funded) is authorized to private higher education, this will be its salvation. This kind of reasoning is highly questionable. True,state governments cannot match the federal potential for generating increased rates of support primarily because of a more limited tax base. However, If governmental initiative should shift to the federal level, institutional responsiveness to a state's particular needs will likely diminish. William H. McFarlane of the University of Virginia in discussing state support for private higher education states:

> The question of federal aid is not an either/or proposition relative to the question of maintaining strong state systems. Substantial increases in public funding at both levels will be essential just as private income from fees and voluntary support must necessarily increase (although not proportionately) as the total enterprise expands. In fact the real problem is to keep sources and amounts of funding as diversified as possible, and not simply to replace one with the other. Federal programs to supplement state and private funding are essential. But the role of such programs should be kept in perspective.[7]

Table 6 gives an indication of the amount of revenue that private higher education institutions obtain from

[7] William H. McFarlane, State Support For Private Higher Education, Southern Regional Education Board, 1969.

state and local funds. Table 7 shows the source and amount of funds that higher education institutions both public and private receive from all sources including the federal government.

The demise of private higher education institutions would place an intolerable burden on the state system. State budgets, already pressed, would have to provide for or supplant these institutions. Merely to accommodate a flow of students into the public system would mean seeking new revenues from the legislature and quite possibly sacrificing the quality of existing public higher education. Experience has shown that where the state has taken over private institutions, the ultimate cost far exceeds what would have cost the state to support the private institutions through an aid program. For example, the University of Buffalo, transformed from a private institution to a state university, is costing New York taxpayers several times the amount an operating state subsidy would have cost them.

TABLE 6

PERCENT OF CURRENT-FUND REVENUE OF INSTITUTIONS OF HIGHER EDUCATION FROM STATE AND LOCAL GOVERNMENTS RELATED TO TOTAL CURRENT-FUND REVENUE, BY CONTROL OF INSTITUTION AND BY STATE: 1968-69

| State | Publicly controlled institutions | Privately controlled institutions |
|---|---|---|
| | Amount (in thousands of Dollars) | Percent of total Current-fund revenue |
| United States | 46.2 | 1.8 |
| Alabama | 32.9 | 1.4 |
| Alaska | 43.8 | 2.5 |
| Arizona | 45.8 | - |
| Arkansas | 42.4 | .1 |
| California | 52.6 | .3 |
| Colorado | 33.4 | .6 |
| Connecticut | 60.3 | .9 |
| Delaware | 37.3 | - |
| District of Columbia | 51.5 | .1 |
| Florida | 56.0 | 2.2 |
| Georgia | 48.1 | .5 |
| Hawaii | 40.6 | .2 |
| Idaho | 45.8 | - |
| Illinois | 58.2 | 1.3 |
| Indiana | 40.3 | .6 |
| Iowa | 41.9 | .1 |
| Kansas | 40.7 | |
| Kentucky | 47.2 | .8 |
| Louisiana | 55.0 | .3 |
| Maine | 43.0 | .1 |
| Maryland | 45.3 | 1.0 |
| Massachusetts | 60.2 | .2 |
| Michigan | 37.7 | |
| Minnesota | 36.2 | .2 |
| Mississippi | 37.1 | - |
| Missouri | 51.6 | .3 |
| Montana | 45.2 | - |
| Nebraska | 31.2 | |
| New Hampshire | 32.4 | - |
| New Jersey | 51.0 | .3 |
| New Mexico | 34.5 | |
| New York | 72.7 | 5.8 |
| North Carolina | 36.5 | .1 |
| North Dakota | 33.4 | |
| Ohio | 32.7 | .1 |
| Oklahoma | 27.5 | .1 |
| Oregon | 35.8 | .2 |
| Pennsylvania | 43.9 | 5.4 |
| Rhode Island | 53.9 | .4 |
| South Carolina | 42.3 | .3 |
| South Dakota | 31.7 | - |
| Tennessee | 44.9 | .2 |
| Texas | 47.8 | .4 |
| Utah | 33.0 | .2 |
| Vermont | 31.1 | .2 |
| Virginia | 37.0 | - |
| Washington | 46.8 | .1 |
| West Virginia | 51.2 | |
| Wisconsin | 42.4 | .3 |
| Wyoming | 41.4 | - |

Source: Financial Statistics of Institutions of Higher Education, Current Funds, Revenues and Expenditures, 1968-69

TABLE 7
SOURCE AND AMOUNT OF FUNDS UNITED STATES INSTITUTIONS OF HIGHER EDUCATION
1961-62 TO 1967-68

| Source of Funds | Amount in billions of dollars | | | | Percent | | | |
|---|---|---|---|---|---|---|---|---|
| | 1961-62 | 1963-64 | 1965-66 | 1967-68 | 61-62 | 63-64 | 65-66 | 67-68 |
| Total, public | 5.2 | 6.8 | 9.6 | 13.1 | 100.0 | 100.0 | 100.0 | 100.0 |
| Federal | .8 | 1.1 | 1.7 | 2.2 | 16.0 | 16.9 | 17.6 | 17.1 |
| State | 2.2 | 2.7 | 3.7 | 4.9 | 41.2 | 39.7 | 38.4 | 37.6 |
| Local | .2 | .3 | .4 | .6 | 4.2 | 4.3 | 4.1 | 4.5 |
| All Other | 2.0 | 2.7 | 3.8 | 5.4 | 38.6 | 39.1 | 39.9 | 40.8 |
| Total, nonpublic | 3.9 | 5.1 | 6.3 | 7.6 | 100.0 | 100.0 | 100.0 | 100.0 |
| Federal | .8 | 1.2 | 1.4 | 1.7 | 20.5 | 23.1 | 22.1 | 22.6 |
| State | .1 | .1 | .1 | .1 | 1.5 | 1.3 | 1.5 | 1.2 |
| Local | | | | | .2 | .2 | .1 | .3 |
| All Other | 3.0 | 3.8 | 4.8 | 5.8 | 77.8 | 75.4 | 76.3 | 75.9 |

Source: Standard Education Almanac, 1972

# SECTION III

# METHODS OF FINANCIAL ASSISTANCE

# METHODS OF FINANCIAL ASSISTANCE

## BASIC OBJECTIVES OF ASSISTANCE PROGRAMS

The major objectives of all financial assistance programs to private higher education is basically two-fold; (1) to equalize educational opportunities and provide a wider choice of institutions to the student, or (2) to expand and strengthen the scope and diversity of state sponsored educational programs and services. If these objectives are met, such financial assistance programs are not merely beneficial to the private institutions but are also instruments of broad social value.

In line with the basic objectives cited above, methods of financial assistance can be classified as (1) Student Support and (2) Institutional Support. In many cases, however, so-called institutional support programs are directed primarily to students.

## STUDENT SUPPORT PROGRAMS

The state can approach the question of student support in a number of ways. Such programs include scholarships, tuition grants, guaranteed loans and the like. Assistance of this type, given directly to the student appears to be the most common form of aid. Thirty-five of the states employ one or more student support programs.

Student scholarships, grants and loans are intended to assist the student rather than the institution, although to some extent they can aid the institution indirectly. For example, this form of assistance can enable the institution to allocate internal funds for other institutional purposes; funds which might otherwise be needed for student support. For the most part, however, experience has shown that these benefits to the institution have been minimal as they have simply not provided private institutions with the assistance necessary to bridge the gap between tuition revenues and costs.

Yet, it is evident that such student assistance programs can have a considerable impact on enrollment distribution patterns between public and private institutions. This is particularly true where student support programs are formulated to the cost differential between public and private institutions. Although the geographical distribution of public and private colleges within a state may influence enrollment trends, experience has shown that the impact of most student support programs is to increase enrollments at private institutions.

The following is a classification of major types of student support programs currently provided in selected

states. The examples shown are illustrative as each state's programs vary in their structure and application. A complete synopsis of the various state programs is shown in another section of this report.

GUARANTEED LOAN PROGRAMS

Guaranteed loan programs are a common form of state support to students attending private institutions. The attractiveness of this type of program lies in the fact that a substantial sum of money can generally be obtained by the student. Money up to a certain value is loaned to the student at a nominal interest rate of around six percent. The state guarantees repayment to the lender - hence the term guaranteed loan.

The State of Illinois, for example, guarantees student loans not to exceed $5,000 for undergraduate students and $7,500 for graduate and professional students. Student loans in Illinois do not provide repayment to the State in "services rendered", "actions beneficial to the State" or such other non-monetary provision. The loan must be repaid in cash with interest. However, it should be noted that Illinois has a comprehensive system of student and institutional support programs including scholarships to state residents attending private institutions and direct grants to private institutions.

## SERVICE SCHOLARSHIPS OR LOAN PROGRAMS

A service scholarship or loan program provides a grant to the student at private higher education institutions which carries with it an obligation of professional service within the state. The State of Virginia, for example, provides for low interest loans to Virginia students attending private institutions; such loans being repayable by "actions beneficial to or service to the Commonwealth."[8] In Virginia's case there are five alternative actions that can be elected by the graduating student to preclude monetary repayment. These actions range from residence in and employment for the State to duty in the Armed Forces.

## GENERAL SCHOLARSHIP PROGRAMS

General scholarship programs are found in several states. Most of these programs are based on need, awarded on a competitive basis or both. The amount of the scholarship varies with the formula applied in the various states. Most often, the dollar amount is determined by the student's (family's) ability to pay.

The State of California, for example, provides a scholarship program of which one-half of the awards and 80% of the funds are designated for students in private institutions. The program is competitive and is restricted to

[8] Chapter 4.4 of Title 23, The Code Of Virginia, March 9, 1973

in-state institutions. The maximum award is $2,000 per student.

The State of Massachusetts on the other hand maintains a scholarship program which awards 3,000 scholarships for residents based soley on need. Sixty-six percent of the funds are distributed to residents attending private institutions. These scholarships can be used anywhere in the United States. In fact not more than 25.0% of scholarship funds can be used at in-state public institutions. It is interesting to note that the Massachusetts State Constitution prohibits direct aid to private institutions.

GRANTS-IN-AID

Similar to the General Scholarship Program in that funds are distributed directly to the student, grants-in-aid differ in that they are awarded on a non-competitive basis and in most cases are restricted for use at in-state institutions.

The formula used to determine the size of the grant varies with the states, but is usually designed to reduce the differential between public and private school tuitions. For example, the State of Alaska awards tuition grants in an amount:

> Up to the difference between (1) the

> Costs, in a city where there is both a four-year state university and a four-year private university or in a city where there is both a two-year State Community College and a two-year private college, for the operation of the State institution on a full-time student per academic year basis, and (2) the tuition paid by the student at the State institution in those locations." 9

The State of Maine authorizes tuition grants for Maine students entering accredited Maine private colleges of up to $800 per year to those students whose family taxable income is less than $10,000.

9 Article 9, Sec. 14.40.776, Laws of Alaska Amended, 1972.

## INSTITUTIONAL SUPPORT

Under this category belongs an extensive array of financial arrangements normally classified as programs for direct support for private institutions. These programs include direct support for operating budgets, contracts for general and specialized services, grants for capital construction, general maintenance appropriations, tax exemptions and a host of other, less significant programs.

Such arrangements are frequently criticized as devices for transforming private institutions into public ones without the appearance of doing so. Moreover, they are often susceptible to constitutional challenge and can to some degree jeopardize the private institution's autonomy from public control.

Although most states offer at least tax exemption status to private higher education institutions, and some have programs of capital construction, the discussion in this report is limited to means of operating support.

## OPERATING SUPPORT OF PRIVATE INSTITUTIONS

The following is a discussion of the major methods whereby state operating support for privately controlled higher education is provided in selected states. The examples shown are illustrative as each state's programs

differ in their design and application. A complete synopsis of the programs in the various states is shown in another section of this report.

Direct Grants

Most controversial of all operating support programs are the so-called block grants involving formula allocations to operating budgets. Such grants, while clearly capable of promoting state support for entirely legitimate purposes, are the type of financial arrangements which most often become entangled in legal and political difficulties.

Direct grant programs, often referred to as tuition equalization programs, may vary according to the basis of the grant and the recipient. In some states direct appropriations are made to a particular private institution or a particular classification of institution. The grant may be based on a formula or simply on a legislative decision to fund certain institutions or classes of institutions as is the case in Pennsylvania. In accordance with the provisions of the various states, funds may be used for general operating expenses or they may be restricted for specific purposes.

Formula grants have been employed in a number of states. These formulae are based on number of degrees awarded, enroll-

ment, increased enrollment or some similar index of achievement. For example, the State of Maryland enacted a grant program in 1971 based on the number of associate and bachelor degrees awarded in 1972. The 1973 General Assembly amended the program to include advanced and graduate degrees. The amount of the annual apportionment to each institution is determined by multiplying by $200 the number of earned associate degrees conferred by the institution during the fiscal year.

New Jersey provides grants to eligible private institutions based on an enrollment formula. The formula provides for $300 annually for each New Jersey student enrolled in the previous academic year who was a recipient of state financial aid, exclusive of loans, of $1,000 or more. In addition the formula provides $600 for each additional New Jersey undergraduate student enrolled in excess of the total New Jersey undergraduate student enrollment in the previous academic year.

Oregon's formula provides that payments shall not exceed $250 for every 45 quarter hours, or equivalent, not to exceed the actual cost to the institution of providing such educational services.

New York's Bundy Plan provides $400 for each baccalaureate

degree conferred and $2,400 for each doctorate.

Enrollment formulae are designed to not only provide the institution with new sources of funds, but to reduce the tuition-aid spiral problem, whereby an increase in tuition charges necessitates an increase in student aid, while at the same time resulting in a decline in enrollment. The result is that the institution finds that the tuition income becomes a smaller part of total income. Some who disagree with the enrollment method argue that this method aids students who would attend private institutions in any case.

The degrees awarded approach, although utilized in several states has the disadvantage of not recognizing the institution's services to those who attend but do not graduate. This arrangement may also discourage the institution's admission of higher-risk students.

Contracts For Educational Services

The contract for educational services concept provides for the state to purchase, under contract with private institutions, some of the required educational services. This approach has been used for years in other areas such as health, welfare, and a number of other services required by a state.

For example, many states commonly contract with hospitals and physicians to provide health services to its residents. Individuals are usually given a free choice of hospital and doctor selections. The concept, however, is relatively new in the field of education.

Probably the most acceptable programs to be contracted for are those which provide financial support in return for clearly defined benefits to the state. Contracts for instruction or research in specialized areas such as medicine, dentistry, etc. as well as categorical support to operating budgets are favorably regarded.

Contracts for services for specialized education such as medicine, dentistry, nursing, law and education are common. This type of aid to private institutions is common where institutional resources to accommodate students are either not available in the state or are inadequate. For example, the State of Texas contracts with Baylor University for medical and dental training of Texas residents. The State of Maine contracts with Tufts University (Massachusetts) to train Maine dental students and with the University of Vermont to train Maine medical students.

Although most common in the professional fields of higher education, the contract for services concept is

applicable to general educational programs as well. The State of Connecticut, for example, contracts with private institutions to provide spaces for State residents. The institutions are required to spend 80% of the funds received for tuition assistance grants; (presumably this would replace institutional funds used for student aid). The remaining 20% goes to the institution unrestricted.

Agreements can be specific (e.g. the number of student spaces to be provided in a given field) or simply a specific number of dollars for general educational services provided.

The State of Minnesota contracts with private institutions for the education of additional State residents and low income students. The formula provides $500 for each state resident in excess of the 1970 resident enrollment plus an additional $500 for each low income state grant-in-aid recipient.

Supporters of contractual aid argue that the state has certain defined educational needs which can be met in part by private institutions, with the remainder being satisfied by public institutions. Contractual services avoid indiscriminate financial aid to both institutions and students. It is also argued that contracts promote sounder planning, preclude the underwriting of the costs of all programs

operated by an individual institution and contribute to more responsible financial accountability.

Conversely, contractual arrangements are necessarily more narrow in terms of the total scope of state aid. Thus, they may have limited impact on the real needs of a college or university seeking assistance. Though a single program may be greatly strengthened, the total impact on the institution may be of little help.

General Maintenance Appropriations

Pennsylvania provides the only example of a state which has had extensive experience with massive general operating support to private institutions through state funds. In addition to the annual tuition reduction supplements and basic operational support for specified programs, general maintenance appropriations are made to "State-Related" private institutions. In 1969 a total of $139,402,000 representing 53.0% of Pennsylvania's higher education operating appropriations were ear-marked for general maintenance purposes.

# SECTION IV

# PROBLEMS CREATED BY NEW STATE-PRIVATE COLLEGE RELATIONSHIPS

## PROBLEMS CREATED BY NEW STATE-PRIVATE COLLEGE RELATIONSHIPS

Although a mutual benefit exists from the new state-private college relationships, there are also legal and educational problems posed by this closer relationship. These problems arise mainly because the autonomy of the private institution may be threatened by increased dependdence on state assistance.

State plans for assistance may also influence private institutions in other areas. For example, there is some fear that the private institutions might attempt to expand beyond their capabilities in order to acquire state aid.

Since most state plans are designed to award enrollment of state residents, there is also the problem of diversity in the student body when the institutions benefit from only state residents.

Admissions policies provide another potential source of difficulty for private institutions. Since the state has an increasing interest in providing educational opportunities for its residents, private institutions may find it difficult to justify a highly selective program.

> The right of a private college....to establish objectives which appeal to a limited number or a special category of students must be respected. However,

> highly selective admissions policies will not adequately serve the Commonwealth. Every institution has a moral responsibility not to use state money to inaugurate or maintain highly discriminatory admissions policies. [10]

Examples of problems shown above but tap the numerous problems created by new state-private institution relationships. These and other problems, many endemic to the particular state in question must be identified and dealt with in detail before specific financial assistance programs are formulated. A comprehensive examination of these factors is a "next step" matter beyond the scope of this study.

## THE CONSTITUTIONALITY QUESTION

Federal and state constitutional prohibitions against aid to church-related institutions also pose problems for private college financial assistance plans. The First Amendment prohibitions in the United States Constitution are binding upon the states under the Fourteenth Amendment and, therefore, precedents established under federal law must be considered in formulating state aid plans. While a state may amend its constitution, it must still conform to federal standards.

Assistance to church-related institutions has evolved through a series of Supreme Court decisions dealing with secondary school aid. In Everson vs. Board of Education,

[10] Carol H. Shulman, State Aid to Private Higher Education, The American Association of Higher Education, June, 1972

the Court allowed New Jersey to reimburse parents for their children's transportation costs to parochial schools, reasoning that the prime beneficiaries of this aid are the child and his parents, while the schools are only indirectly assisted. The "child benefit" concept from Everson was followed by a decision in Abington School District vs. Schempp that banned Bible reading in the schools. In Schempp the Court proclaimed that the government must be neutral in matters of religion.

In a 1970 decision, Waltz vs. Tax Commission of The City of New York, the Court upheld New York State's provisions for exemption of church property from taxation and added a new limitation that the legislation not result in excessive government entanglement with religion.

In Tilton vs. Richardson, June, 1971, a case which challenged the constitutionality of aid to church-related colleges through the Higher Education Facilities Act, the Court upheld aid to four Connecticut colleges but ruled against a provision in the Act that would have allowed the colleges to use the federally-funded buildings for religious rather than secular purposes after a 20 year period. Tilton distinguishes the Court's decision in favor of aid to church-related higher education from its finding against aid to

church-related elementary and secondary schools. However, the decision does not provide standards for future forms of aid to church-related higher education. The constitutionality of aid to church-related institutions can only be determined by an examination of each institution concerned and each type of aid.

State constitutional provisions against aid to particular private colleges and universities use a variety of terms to describe the prohibition: "sects", "denominations", "religious societies," or "churches". The difficulty in applying these standards to church-related institutions lies in determining the degree to which affiliation makes aid unconstitutional. Many colleges have church origins and continue some relationship with a church, but do not promote that church or discriminate against students who are not members of it.

# SECTION V

# STATE FINANCIAL ASSISTANCE PROGRAMS FOR PRIVATE HIGHER EDUCATION

# STATE FINANCIAL ASSISTANCE PROGRAMS FOR PRIVATE HIGHER EDUCATION

The following pages contain a synopsis of financial assistance programs currently maintained in the various states. Brief descriptions of proposed programs are also included. Some of these proposed programs have never progressed further than legislative committee discussion while others are very recent and are now before the various legislatures.

Information pertaining to the programs contained in this synopsis was gathered from direct correspondence with the fifty states supplemented by review of pertinent studies, documents, legislative bills and statutes.

STATE FINANCIAL ASSISTANCE PROGRAMS
FOR
PRIVATE HIGHER EDUCATION

## ALABAMA

Direct Support in the form of two-year appropriations to three institutions (Tuskegee, $75,000/yr., Walker Jr., $200,000/yr., Marion, $200,000/yr.) No restrictions on utilization of funds.

Proposed tuition grant program submitted to 1973 Legislature which would provide tuition assistance to students attending Alabama's private institutions at one-half the dollar amount which the State appropriates to the public four-year colleges and universities of the State. Grants would average about $500 per year.

## ALASKA

Tuition Grants may be awarded to a student in an amount up to the difference between (1) the cost, in a city where there is both a four-year state university and a four-year private university or in a city where there is both a two-year state community college and a two-year private college, for the operation of the state institution on a full-time student per academic year basis, and (2) the tuition paid by the student at the state institution in those locations. Grants are awarded up to $1,400.

Student Loans may be authorized up to $2,500 in any one school year to an undergraduate student and up to 5,000 per year for a graduate student. Loans may be repaid by "services to State" in lieu of dollars.

## ARIZONA

Proposed tuition grant program introduced in 1970 Legislative Session which would award $250 per semester to any resident of Arizona attending a private college or university. To be eligible a student would have to qualify for attendance at a state junior college or university in Arizona. The disposition of this bill is unknown. It apparently died in committee. No other bills have been proposed since this bill was introduced.

ARKANSAS

Proposed "tuition equalization" plan was submitted to the 1973 General Assembly. Neither house acted on it. The bill would provide tuition grants, based upon need to qualified students attending private institutions. The proposed formula is based upon the total tuition and mandatory fees charged the student, less the tuition and mandatory fees that would have been charged the student at a state supported institution, but not to exceed $300 a semester. In regard to this bill, the Arkansas State Department of Higher Education recommended that the State not participate in an aid program to private institutions due to the recently enacted Higher Education Amendments of 1972 by the Federal Congress.

CALIFORNIA

Scholarship Program of which one half of awards and 80% of funds are designated for students in private institutions. Competitive program for in-state schools only with maximum grant of $2,000 per student. $23.4 million budgeted for 1972-73.

Contracts For Services for independent medical schools to increase enrollments. Contract formula calls for $12,000 per year for each additional student enrolled.

College Followship program to prepare college faculty, restricted to 2,000 new recipients per year.

COLORADO

None

CONNECTICUT

Scholarship Program for any students accepted at any post-secondary institution in or out-of-state. Program restricted to a maximum of $1,000 per student per year, and to State residents only.

CONNECTICUT (Continued)

Contracts For Services with private institutions to provide spaces for State residents. Maximum of $500 per year per Connecticut student allowed. Institutions are required to spend 80% of funds for tuition assistance grants. Remaining 20% goes to the institution. Total appropriation of $1.1 million provides about $93 per student.

Transitional Grant Program for disadvantaged students; grants to institutions for guidance, tutoring, etc. Maximum of $1,000 per student awarded annually. Institutions received an amount not to exceed $500 per student enrolled under the program. Restricted to "potentially capable but disadvantaged students.

DELAWARE

See Section VII

FLORIDA

Tuition Grants up to $1,200 per year per student are authorized for use at private institutions. Actual amount of grant dependent on individual need.

Scholarship and Loan Program provides approximately $1 million in State funds and $3 per student per quarter fee increase in public institutions. Loan funds for private college students limited to 40% of general revenue payments to student financial aid trust fund.

Special Subsidy and grant funds to the University of Miami for students attending the Medical School. Amount of subsidy is $4,500 per medical student.

GEORGIA

Tuition Grants of $400 per student per academic year limited

GEORGIA (Continued)

to freshmen and sophomores first year; junior class added second year; senior added third year. Funding - $2.8 million 1972-73. Grants are prohibited for primarily sectarian institutions and excludes those institutions receiving State funds under 1970 Junior College Act.

Contract For Services with Emory University to train a certain number of medical students.

HAWAII

None

IDAHO

None

ILLINOIS

Scholarship Program for State residents attending private state institutions. Funding - $51.4 million for 1972-73. Awards of up to $1,200 per student per year authorized.

Guaranteed Loan Program authorizes loans not to exceed $5,500 for undergraduate students and $7,500 for graduate and professional students.

Direct Grants to private institutions for State residents enrolled. $100 allowed for each freshman or sophomore State Scholarship Commission recipient; $200 for each junior or senior state resident.

Operating and Capital Grants to private medical schools include a variety of programs such as nursing, allied health, etc. Funding - $3.5 million for 1972-73. Operating expenses; $6,000 per increased State resident student and $1,000 per State resident student; capital expenses - one-time grant provides $50,000

ILLINOIS (Continued)

per increased State resident student for the first 20 students and $20,000 per increased State resident student thereafter.

Operating And Capital Grants authorized to private dental education programs. Funding - $751,000 for 1972-73 provides $3,000 per increased state resident student and $1,000 per state resident student for operating expenses.

INDIANA

Tuition Grants may be awarded based on need upon admission to any accredited Indiana institution.

Scholarship Program based on need and competition allows up to $1,400 per student.

IOWA

Tuition Grants may be awarded to any resident of the State who is admitted and in attendance as a full-time student at any accredited private institution and who establishes financial need. Funding - $8 million for 1971-73. Maximum of $1,000 per year based on financial need not to exceed tuition and fees minus average amount that would be paid at State institution.

Scholarship Program based on ability and financial need. Funding - $290,000 - 1971-72. Allows from $100 to $800 depending on need and tuition.

KANSAS

Tuition Grants for State residents attending private colleges, effective for 1972-73 school year. Grants are allowed for tuition and fees or $1,000 whichever is the least. Formula based on student need. Funding $1 million for 1972-73 should provide for approximately 1,200 grants.

KANSAS (Continued)

Scholarship Program limited to 150 freshmen based on need. Funding - $150,000 per year allows for tuition costs or $500 whichever is less. Renewable only once.

KENTUCKY

Tuition Grants program enacted in 1972 Legislature provides up to 50.0% of the average state appropriation per full time equivalent student enrolled in all public institutions of higher education. Amount of grant awarded is based on student's need as determined from parent's confidential statement.

LOUISIANA

State Guaranteed Loans authorized up to a maximum of $1,500 per school year not to exceed a total of $7,500.

Scholarship Program dating from 1884 for Tulane University students, limited to one student from each senatorial and representative district or parish (county) of the State.

MAINE

Tuition Grants for Maine students entering accredited Maine private colleges allows up to $800 to those students whose family taxable income is less than $10,000. Each private institution receives a base allotment of $10,000 in addition. Funding - $150,000, 1972-73. A new bill is in the legislature which would increase the family taxable income restriction to $13,000.

Contract For Services between the State of Maine and Tufts University (Mass.) School of Dental Medicine whereby student pays tuition based on the in-state tuition rate of the University of Vermont Medical School. Distribution is $5,000 subsidy per student per year to the University.

MAINE (Continued)

A similar contract program provides tuition subsidies for Maine medical students attending the University of Vermont.

MARYLAND

Direct Support program enacted in 1971 based on the number of associate and bachelor degrees awarded in 1972. The 1973 General Assembly amended the program to include advanced and graduate degrees.

Litigation has been filed with respect to the eligibility of church affiliated institutions, but this issue has not been resolved. Pending the outcome, no funds are being allocated to these institutions.

The cost of the state aid program is estimated to be:

| | |
|---|---|
| 1972 (actual) | $1,726,000 |
| 1973 (budget) | $2,000,000 |
| 1974 (proposed) | $2,738,000 |

The amount of the annual apportionment to each institution is determined by multiplying by $200 the number of earned Associate of Arts Degrees, and by $500 the number of earned bachelor and graduate degrees conferred by the institution during the fiscal year.

Scholarship Programs among the major of which are (1) general state scholarships, $100 to $1,500 based on need and SAI results; (2) grants for disabled veterans, children and war orphans; (3) senatorial and House of Delegates scholarships for recipients designated by legislators; (4) Medical scholarships at University of Maryland.

MASSACHUSETTS

Scholarship Program includes over 3,000 awards for residents based soley on need. Funding - $8 million of which 66% is distributed to residents attending private institutions.

MASSACHUSETTS (Continued)

Annual awards up to $200 for students attending public institutions and $700 for those attending private institutions. Scholarship can be used anywhere in the United States. No more than 25% of scholarship funds can be used at in-state public institutions.

Special Scholarships for medical, dental and nursing students authorized based on need.

Proposed Constitutional Amendment - Massachusetts is in the process of proposing a legislative amendment to the State Constitution making it lawful for the General Court to make grants-in-aid to private higher education institutions or to students or parents of students attending such institutions. At present this type of aid is prohibited by the Massachusetts Constitution.

The amendment was agreed to by the General Court for the first time in a Massachusetts Constitutional Convention by a vote of 250 to 3 with 20 abstentions. It must be agreed to by the 1973-1974 General Court in order to be submitted to the electorate for ratification.

MICHIGAN

Tuition Grants of up to $88 per year are provided on the basis of need. Funding - $5.2 million for 1971-72.

Scholarship Program for needy Michigan students authorizes up to $800 per year or the equivalent of tuition at any approved public or private Michigan college for undergraduate work. Funding - $8.2 million for 1971-72.

Guaranteed Loan Plan allows loans of up to $1,000 a year for undergraduates and $1,500 for graduate students.

Special Program authorizes payment to each accredited, non-public school of dentistry located within the state the sum of $2,400 for each doctor of dental surgery degree earned by a Michigan resident. Funding - $115,000 for 1971-72.

MINNESOTA

Tuition Grants awarded based on need, usable in public and private institutions. Funding - $2.5 million for 1972-73. Student awarded one-half of demonstrated need. Grants range from $100 to $1,000.

Scholarship Program based on need. Funding - $2.5 million for 1972-73. Student awarded one-half of demonstrated need. Scholarships range from $100 to $1,000 and are restricted to upper academic 25% only.

Contracts For Services with private colleges for the education of additional state residents and of low income students. Funding - $2.7 million for 1971-73. Formula prescribes $500 for each state resident in excess of 1970 enrollment of residents, and $500 per each low income state grant-in-aid recipient.

Special Program for the development of undergraduate medical school in cooperation with Mayo Foundation. Funding - $320,000 for 1971-73. Distribution: $8,000 per state resident enrolled.

MISSISSIPPI

Proposed tuition grants bill submitted to legislature in 1973 proposed tuition equalization grants to students attending colleges and universities in Mississippi. The proposed formula would provide each eligible recipient an amount equal to 25% of the average student appropriation determined by the State Treasurer to have been expended by the state for students attending public institutions.

The bill (HB 479) died in Committee in 1973 regular session.

MISSOURI

Tuition Grants authorized, based on financial need for students attending public and private institutions. Amount of grant not to exceed the least of financial need, one half of fall tuition

MISSOURI (Continued)

and mandatory fee charges, or $900. Total amount of grants limited to $3.5 million for each fiscal year.

MONTANA

None

NEBRASKA

Tuition Grant program based on need allows up to $500. Funding - $500,000.

Student Loan Program devised by State Investment Council to provide direct loans to public or private students in state. New program - particulars yet to be determined.

NEVADA

None

NEW HAMPSHIRE

None

NEW JERSEY

Tuition Grants based on financial need for students authorized at in-state institutions where tuition exceeds $500. Funding - $3.4 million for 1971-72.

NEW JERSEY (Continued)

In-state high school graduates of previous year to attend public or private institutions. Funding - $5.2 million for 1971-72. Awards up to $500 per year.

Incentive Grant Program for state scholarship holders attending in-state institutions with more than $500 annual tuition. Funding - $1.5 million for 1971-72. Awards up to $500 per year.

Guaranteed Student Loan Program whereby state guarantees loans valued at $44 million to 40,000 students for 1970-71.

Supplementary Educational Programs Grants for institutions under Educational Opportunity Grant Program. Funding - $2.9 million for 1971-72. Legislation authorizes contracts with eligible private institutions to provide educational services to New Jersey undergraduates students. Formula provides for $300 annually for each N.J. student enrolled in the previous academic year and was a recipient of state financial aid, exclusive of loans, or of aid administered by the institution of $1,000 or more. In addition, the formula provides $600 for each additional N.J. undergraduate student enrolled in excess of the total N.J. undergraduate student enrollment in the previous academic year.

Additional grants of $175 for each freshman and sophomore and $225 for each junior and senior New Jersey undergraduate student enrolled in the previous academic year.

Special Contracts For Services with schools of veterinary medicine outside the state for state residents. Funding - $100,000.

Grants to Diploma Schools of Nursing to defray educational costs. Funding - $1.7 million. Distribution is $600 per full time student.

Educational Opportunity Grant Program for disadvantaged students at public or private colleges. Funding - $9.7 million for 1971-72. Grants awarded up to $1,000.

NEW MEXICO

None

NEW YORK

Scholarship Program awards competitive scholarships for use at in-state private or public institutions. Funding - $32.2 million for 1972-73 provides approximately 85,000 awards of from $250 to $1,000 based on need.

Scholar Incentive Program based on need provides non-competitive grants for use in the state. Funding - $70 million for 1973-74. Program awards grants up to $600. (Proposed increase to $900 for 1973-74)

Direct Grants to independent colleges and universities, awards $400 for each bachelor and masters degree and $2,400 for each doctorate. Funding - $26.9 million for 1971-72. Proposed legislative program for 1973-74 would increase state appropriation by $51 million to a total of $150 million. Main provisions of the newly proposed program are: (1) to increase the funding as cited above; and (2) provide private two-year institutions $300 for each associate degree awarded.

Competitive Scholarships for 400 medical/dental and 35 osteopathic students. Program allows from $350 to $1,000 per year based on need.

Scholarship Programs for other medical, nursing, etc. Funding $9.5 million in 1971-72.

Teacher Training Grants - in service, handicapped, non-western studies, urban. Funding - $318,000.

Educational Opportunity Funds for disadvantaged students at in-state public or private institutions. Funding - $44.8 million including $6.2 million for private college students.

Seven Endowed Chairs at seven private institutions in science and humanities. Funding: $560,000 per year. Distribution: $80,000 per choice.

Grants To Non-public Medical Colleges. Funding: $3.6 million for 1971-72. Formula provides $1,500 for each full-time student in M.D. program.

NEW YORK (Continued)

Contract Program To Expand Nursing Enrollments. Program provides funds for each additional enrollee. Funding: $2.5 million for 1971-72.

Deferred Major Maintenance Loans for private institutions for remodeling, restoration or modernization of educational buildings.

Contract Program For Nurses Refresher Courses And Qualification Courses For Foreign Trained Nurses. Funding: $345,000.

Contract Program To Expand Medical And Dental School Enrollments, including capital grants. Funding: $6.7 million for 1971-72.

NORTH CAROLINA

Comprehensive Program Of Grants, Loans And Work-Study Programs for residents at public or private institutions. Funding: $1 million.

Additional funding of $450,000 (1971-73) provides for an increase in funds to the private institutions based on increased enrollment of North Carolina Students in a given year.

Contracts to enable private institutions to administer scholarships to needy North Carolina Students. Funding: $575,000 for 1971-73.

Formula based on number of North Carolina Students enrolled at a given private institution in a given year.

Special Program provides funds for the education of North Carolinians at two private schools of medicine. Funding: $1.2 million for 1971-73.

Special Program provides funds for the education of North Carolinians as doctors and dentists at a Tennessee predominately black medical school. Funding: $25,000.

NORTH DAKOTA

None

OHIO

Instructional Grant Program for Ohio residents at in-state public and private institutions provides maximum grant of $510 for public and $1,200 for private institutions based on "adjusted effective income" to $11,000 and number of dependent children. Program is restricted to full-time undergraduate students only. Funding: $15.2 million for 1971-72.

Guaranteed Loan Program distributes loans up to a maximum of $1,500.

Financial Assistance to Case Western Reserve University for education in medicine and dentistry. Funding: $2.7 million for 1971-72.

OKLAHOMA

Tuition Grants for full-time Oklahoma residents at public and private institutions in state based on need. New measure (1971) - no funds appropriated as yet. Program will provide maximum grant of $500 per student not to exceed 50% of tuition and fees. The Legislation is presently before the budget and appropriations committee.

OREGON

Need Grant awards based on financial need. Funding: $1.5 million for 1971-73.

Cash Awards Program based on academic achievement. Funding: $500,000 for 1971-73

OREGON (Continued)

Contracts For Services authorized to private non-secular institutions. Funding: $2.1 million for 1973-75. Formula provides that payments shall not exceed $250 for every 45 quarter hours, or equivalent, not to exceed actual cost to the institution of providing such educational services.

PENNSYLVANIA

State Scholarship Program is second largest in the Country. Program provides scholarships for use at in-state or out-of-state public or private institutions, hospital nursing schools, and in-state private trade and business schools. Program is administered based on need in relation to total cost less family contribution, and on examination scores. Funding: $60.4 million for 1972-73. Maximum award at in-state institution is $1,200 and $800 at out-of-state institution. Program awards up to 50% of need for families with less than $8,000 annual income and 33 1/3% for families with income in excess of $8,000.

Direct Aid programs to "State-Related" and "State-Aided" Institutions. Aid is mainly focused on programs that directly benefit the state.

Senatorial Scholarship program awards scholarships for use at two private institutions. Up to one-half of tuition cost can be awarded.

RHODE ISLAND

Scholarship Program - particulars unknown.

Special Aid Programs are provided for post-graduate courses in teaching.

Special appropriation to Brown University Medical School for the training of medical students.

SOUTH CAROLINA

Tuition Grant Program based on merit and need for students attending private institutions. Funding: $50,000 for 1971-72. Distribution is based on per student appropriation at public institutions - about $1,300.

Contracts For Services with private colleges to provide public school teacher training. Funding: $200,000 for 1971-72.

SOUTH DAKOTA

None

TENNESSEE

Tuition Grant Program based on need for use at any accredited public or private institution. Funding: $2.3 million for 1973-74 allows up to $1,000. Grants are limited to tuition and fees.

Student Loans to private medical college students and nursing students.

TEXAS

Tuition Grants based on need for Texas residents attending an in-state private institution for their choice. Funding: $3 million for 1972-73 allows grants up to $600 per student. Grants are limited to tuition only.

Contracts For Services with Baylor University for medical and dental training of Texas residents. Funding: $4.2 million for 1971-72.

Contracts For Services with Texas College of Osteopathic Medicine for Texas undergraduate medical students. Funding: $50,000 for 1971-72.

UTAH

None

VERMONT

Scholarship Program offers limited assistance to students attending private institutions.

Proposed program to provide state aid for certain private higher education institutions presented to legislature in 1971. Program asked for grants to the institution to offset tuition differential. Formula asked for $400 multiplied by the number of earned associate degrees and by $800 the number of earned bachelor and masters degrees conferred by such institutions for the previous twelve month period. Disposition of measure unknown.

VIRGINIA

Student Loan Program: The 1973 General Assembly passed the College Scholarship Act which provides for low interest loans to students. The 1972 General Assembly had passed a similar law which the Virginia Supreme Court declared unconstitutional. The new 1973 act has not been tested in courts. The Act provides for grants as well as loans to Virginia students attending public institutions but only loans for those students attending private institutions. However, loans made to students attending eligible private institutions can be payable by "actions beneficial to or by service to the Commonwealth." Funding: $225,000 for freshmen, 1972-73; $450,000 for freshmen and sophomores, 1973-74. The amount of aid is not to exceed the average appropriation per full-time student for operating costs at 2 and 4 year colleges.

State Teacher Scholarships for loans to students at public institutions and qualified students pursuing qualified courses at all accredited state private non-profit colleges. Funding: $2.3 million for 1972-73. Recipients must teach in the state one year for each year of the scholarship.

Scholarships for nursing and dental hygienist students awarded on same basis as above.

WASHINGTON

Tuition Supplement Program for every undergraduate state resident attending a private institution in the state. Funding: $1.7 million for 1971-73 allows maximum of $100 per student. This program was recently contested in the courts and found unconstitutional by the Washington State Supreme Court. The Program operated in 1971-72 and was held up in 1972-73 because of the litigation. The State is now in the process of examining other alternatives.

Student Grant Program based on need provides funds based on one-third the difference between college cost and total family contribution. Students may attend institution of their choice in state. Funding: $1.4 million for 1971-1973.

WEST VIRGINIA

State Scholarship Program for students who are enrolled at approved public or private institutions; based on financial need, character, and academic promise. Funding: $425,000 for 1972-73 allows from $100 to $900 per academic year.

WISCONSIN

Tuition Grant Program designed to offset tuition differences between public and private institutions based on need scaled to taxable family income. Funding: $5.9 million for 1971-73 allows for awards up to $900.

Honor Scholarship Program awarded to students in top 10% of class to attend public or private institutions in state. Funding: $1.4 million for 1971-73 allows maximum award of $800.

Educational Manpower Grants based on need for students enrolled in courses leading to employment in a critical occupation in the state. Funding: $560,000 for 1971-73 awards up to $2,000 per undergraduate and $4,000 per graduate student.

Special Tuition Reimbursement Grants for students enrolled in or out-of-state in selected professions, the major awards going

WISCONSIN (Continued)

to dental students at Marquette University. Funding: $710,000 for 1971-73 allows $500 per student.

Assistance to American Indian Students based on need. Funding: $207,300 for 1971-73. Maximum of $1,500 per student.

Talent Incentive Grants for the disadvantaged identified under the state talent search. Funding: $335,000 for 1971-73 allows up to $1,000 per student for 500 students.

WYOMING

None: There are no private higher education institutions in Wyoming.

# SECTION VI

# STATES' EXPERIENCE REGARDING THE DEVELOPMENT OF AID PROGRAMS

# STATES' EXPERIENCE
# REGARDING THE DEVELOPMENT OF AID PROGRAMS

The scope of this study limited the determination of the various states' experience regarding the development of aid programs to a compilation of comments received from institutional and professional education leaders as well as the research staffs of legislative councils.

Comments from selected states, identified by the title of the individual or agency voicing the comment are contained on the following pages.

These comments originated from states that have no financial assistance programs as well as from those states that provide such arrangements.

COMMENTS FROM STATES THAT HAVE AID PROGRAMS

| STATE | SOURCE OF COMMENT | |
|---|---|---|
| CONNECTICUT | College President | It took about 20 years of lobbying mostly by professional educators who also were professional lobbyists to do it. - (direct aid) |
| CONNECTICUT | College President | Several years ago enrollment in independent colleges began declining, while public institutions were being built. Legislation was introduced to cut costs to state and to retain Connecticut students in independent colleges. - (direct aid) |
| FLORIDA | Board of Regents | Many legislators are opposed to direct financial aid to private schools on constitutional grounds. |
| ILLINOIS | College President | The public financial assistance in Illinois result from the implementation of the Master Plan for Higher Education, promulgated in three phases culminating in May, 1971. |

Note: In those states that provide more than one method of support, it was not always possible to identify the type program towards which the particular comment was directed.

**ILLINOIS**

College Vice President

Intensive lobbying resulted over the years in:

1. Sympathetic State Board of Higher Education.
2. Sympathetic State Scholarship Commission
3. A governor concerned about educational pluralism and, finally, response by the State Legislature.

**KANSAS**

College President

The tuition-aid plan was formulated in the State of Kansas on the basis of a campaign for such aid on the part of the Associated Independent Colleges of Kansas and through a study by the State Legislature of similar plans, particularly in the State of Iowa.

**KANSAS**

Legislative Council

The Associated Independent Colleges of Kansas did all of the background on this piece of legislation and provided thrust for its passage. - (tuition grants)

| | | |
|---|---|---|
| KENTUCKY | Coordinator Of Federal Programs, U. Of Ky. Community College System | During the 1972 Kentucky General Assembly, legislation was enacted to authorize state tuition grants for students at private, non-profit colleges. The Kentucky Legislature appropriated funds to the Higher Education Assistance Authority for Fiscal Year 72-73. However, the constitutionality of the appropriation is still in the process of being tested in the courts. |
| MARYLAND | Maryland Independent College and University Association | Based on Bundy Plan; designed as stop-gap measure until a full study of how best to aid private higher educational institutions could be completed. - (direct aid) |
| MASSACHUSETTS | Legislative Research Bureau | House, No. 1881 of 1972 was agreed to by the General Court for the first time in a Massachusetts Constitutional Convention by vote of 250 to 3 with 20 abstentions. It must be agreed to by the 1973-74 General Court in order to be submitted to the electorate for ratification. |

| | |
|---|---|
| MISSOURI | College President |
| | The Association of Independent Colleges and Universities of Missouri is lobbying for and was responsible for the passage of Missouri's Senate Bill 613. |
| NEBRASKA | A student aid bill has passed the State Legislature but is presently being contested in the courts. Leaders in individual colleges promoted the student aid bill in the State Legislature. |
| NEW YORK | College President |
| | A commission appointed by Governor Rockefeller and headed by McGeorge Bundy investigated needs of private colleges, their contribution to the public good, and suggested a formula for aid. - (direct aid) |
| OKLAHOMA | College President |
| | SB 191 - developed by the Oklahoma Association of Private Colleges and Universities. Not funded though enacted into law. |

| | | |
|---|---|---|
| OKLAHOMA | Oklahoma Association of Independent Colleges and Universities | In 1971 we passed a measure in both houses of the legislature establishing a state scholarship grant program. This program was based on need and had a mere $500 ceiling. It would be open to either public or private college students. At the time we passed the bill, we agreed not to seek funding of it until 1973. We are in that process at the present time and our bill is now before the Budget and Appropriations Committee. |
| OREGON | College President | The Oregon Independent College Association was responsible for drafting and promoting the legislation. - (contracts) |
| PENNSYLVANIA | College President | Political lobbying is a difficult procedure to explain in brief form. However, the State Scholarship Program is not politically motivated and has originated and has been rather well supported by both sides of the aisle for the past seven or eight years. It has solid support of all segments of higher education in Pennsylvania. |

TENNESSEE — Legislative Council

Not directly, as the Constitution prohibits aid to church-related colleges. The 'Tuition Grant' program was originally intended for students in private schools only, but could not be passed until amended to cover public colleges as well. The Tuition Grant Program was enacted without an appropriation the first year, funded the next.

TENNESSEE — Vice Chancelor, State Board of Regents

The tuition grant program was originally promoted primarily by the private colleges and universities.

TEXAS — College President

Independent colleges and universities of Texas organized and financed a movement to influence legislation. We were successful.

WASHINGTON

College President

Ten years ago the Washington Friends of Higher Education thoroughly studied the question. At that time the Association felt that student tuition supplement provided the best means for constitutional support to private higher education institutions. This study and report coincided roughly with the establishment of the Council on Higher Education of the State of Washington. Through the Council and the joint House-Senate Committee of the Washington State Legislature on Higher Education, the constitutional research was done and the measure was written. It passed both the House and Senate four years ago. Later the Council on Higher Education adopted as a policy the equalization of tuition in public and private colleges, along with a scheme of student financial aid.

WASHINGTON

Assistant to University President

Washington State programs were developed by the Council on Higher Education following a study on private higher education. Private institutions have established the Washington Friends of Higher Education to work with the Council and the legislature in legislative - advocacy - with great success. Our failure in the tuition supplement case is constitutional, not legislative.

VERMONT

College President

The Vermont Higher Education Council, the association of all the public and private institutions in the State, helped to promote both of these acts of legislation and worked closely with legislative committees in the drafting of these laws.

VIRGINIA

State Council of Higher Education

Several legislators expressed concern about the future of private higher education, a study of private higher education was undertaken, and as a result legislation was written.

VIRGINIA

Division of Statutory Research and Development

Virginia does not assist institutions of private higher education inasmuch as our Constitution prohibits it. The 1973 General Assembly did, however, pass the College Scholarship Act, which provides for low interest loans to students to be used in financing their college careers. The 1972 General Assembly had passed a similar law which our Supreme Court declared unconstitutional. The new law has not been tested in court.

COMMENTS FROM STATES THAT DO NOT HAVE AID PROGRAMS

| STATE | SOURCE OF COMMENT | |
|---|---|---|
| ARKANSAS | Legislative Council | |
| | The opposition of the Department of Higher Education is probably the main reason why the legislation was not enacted. - (tuition grants) | |
| HAWAII | Legislative Reference Bureau | |
| | It is a legislative decision about which little is known. Perhaps this is due to the fact that private institutions of higher education in the State do very little lobbying for forms of public financial assistance. | |
| MISSISSIPPI | College President | |
| | We are trying to get this done (tuition grant program) failing in the 72 and 73 sessions. | |
| MISSISSIPPI | Legislative Reference Library | |
| | Died in committee (tuition grant program) 1973 Regular Session of State Legislature. | |
| NEW MEXICO | State Legislative Council | |
| | Constitutional question and matter of policy. | |

NORTH DAKOTA

Legislative Council

The legislature apparently feels it is not proper for the State to support private education in any direct manner.

RHODE ISLAND

College President

State scholarship program, formulated developed and recommended by the Rhode Island Commission to study higher education in 1959. In March, 1970, the 1970 report of the Commission to Study the Rhode Island State Scholarship Program was published and pointed out the inadequacies of the scholarship program (proposed) in the present form. No further action has been taken relative to the recommendations of the Commission.

SOUTH DAKOTA

College President

Efforts to have a state scholarship program enacted have not been successful.

WEST VIRGINIA

Legislative Council

We do not know why this legislation (direct aid) has not been enacted. Some of the arguments against it are: (1) payments to religious colleges would violate the First Amendment to the U.S. Constitution; (2) such payments would violate the State Constitution in that they would be appropriations of public funds for private purposes; and (3) any available monies should go to fill the needs of State educational institutions.

# SECTION VII

# HIGHER EDUCATION IN DELAWARE

# HIGHER EDUCATION IN DELAWARE

## INTRODUCTION

Delaware is a small but somewhat unique state with regard to higher education. While there are seven institutions of higher education in the State, only one of these is a University, the University of Delaware located in Newark. Because of this fact the University enjoys a prominent position among the State's colleges. Each of theses institutions is controlled and directed by a separate board of trustees. The University's board is self perpetuating.

There is no mechanism for coordinating the plans and programs of higher education in Delaware. A council of Presidents of the three public institutions has been formed and meets periodically; however, substantive issues are seldom on the meeting agenda.

The State has a Higher Educational Aid Advisory Commission whose primary purpose is to validate and administer federal funds for physical facilities.

Higher education scholarships are awarded from funds appropriated by the General Assembly. The scholarship program is administered by the State Board of Education. The scholarship program is described more fully in this section of the report.

## DELAWARE INSTITUTIONS OF HIGHER EDUCATION

Two of the public institutions, the University and Delaware State College, have been established for many years and are well steeped in tradition. Both of these institutions are four-year colleges with graduate programs available only at the University. On the other hand, Delaware Technical and Community College, the third public institution, is relatively new. Delaware Tech is a two-year college. However, the University of Delaware offers a College Parallel Program which is an extension of the University's program at both the Georgetown and Wilmington campuses of Delaware Tech. Students in the College Parallel Program do not have to transfer to the University. Transfers to other four-year colleges are facilitated by this arrangement.

There are four privately administered, non-public supported colleges in Delaware. Wilmington College is the youngest of these institutions, the only four-year institution among the private colleges. Brandywine College, opened in 1966, is also a comparatively young institution. Wesley College by contrast is celebrating a century of service this year. Goldey Beacom College is also well established.

Tables 8 and 9 which follow indicate enrollment and tuition trends among Delaware's higher education institutions.

Following these tables is a brief description of each of the colleges in Delaware.

TABLE 8

ENROLLMENTS
DELAWARE HIGHER EDUCATION INSTITUTIONS

| INSTITUTION | 1969 | 1970 | 1971 | 1972 | Projected 1975 | 1980 | 1985 |
|---|---|---|---|---|---|---|---|
| Delaware State | | | | | | | |
| Full Time | 1092 | 1335 | 1624 | 1608 | 2198 | 2730 | 3250 |
| Part Time | 208 | 334 | 297 | 283 | 420 | 470 | 520 |
| F.T.E.* | 1161 | 1446 | 1723 | 1702 | 2338 | 2887 | 3423 |
| Delaware Tech | | | | | | | |
| Full Time | 1276 | 1471 | 2053 | 2652 | 4200 | 6300 | 8400 |
| Part Time | 1275 | 2267 | 2692 | 3195 | 9050 | 14190 | 17890 |
| F.T.E. | 1403 | 1698 | 2322 | 3716 | 5105 | 7719 | 10189 |
| University Del. | | | | | | | |
| Full Time | 8549 | 9490 | 10616 | 11499 | 13423 | 16405 | 18900 |
| Part Time | 2225 | 2307 | 2247 | 5963 | 2748 | 3301 | 3750 |
| F.T.E.* | 7858 | 8770 | 9922 | 10870 | 12674 | 15477 | 17710 |
| Total Public | | | | | | | |
| Full Time | 10917 | 12296 | 14293 | 15759 | 19821 | 25435 | 30550 |
| Part Time | 3708 | 4908 | 5236 | 9441 | 12218 | 17961 | 22160 |
| F.T.E. | 10422 | 11914 | 13967 | 16288 | 20117 | 26083 | 31322 |
| Brandywine | | | | | | | |
| Full Time | 1252 | 1349 | 1231 | 797 | 1679 | 2149 | 2149 |
| Part Time | 295 | 174 | 227 | 221 | 394 | 505 | 505 |
| F.T.E. | 1350 | 1407 | 1307 | 871 | 1810 | 2317 | 2317 |
| Goldey Beacom | | | | | | | |
| Full Time | 1050 | 875 | 776 | 645 | 1000 | 1200 | 1440 |
| Part Time | 6 | 175 | 162 | 191 | 219 | 263 | 315 |
| F.T.E. | 1052 | 933 | 830 | 727 | 1073 | 1288 | 1545 |
| Wesley | | | | | | | |
| Full Time | 657 | 858 | 791 | 821 | 900 | 1052 | 1052 |
| Part Time | 244 | 311 | 251 | 295 | 260 | 275 | 275 |
| F.T.E. | 738 | 962 | 875 | 899 | 987 | 1144 | 1144 |
| Wilmington | | | | | | | |
| Full Time | 310 | 430 | 467 | 343 | 710 | 1050 | 1200 |
| Part Time | 40 | 70 | 176 | 224 | 255 | 390 | 450 |
| F.T.E. | 323 | 453 | 526 | 417 | 795 | 1180 | 1350 |
| Total Private | | | | | | | |
| Full Time | 3269 | 3512 | 3265 | 2606 | 4289 | 5451 | 5841 |
| Part Time | 585 | 730 | 816 | 931 | 1128 | 1433 | 1545 |
| F.T.E. | 3463 | 3755 | 3538 | 2914 | 4665 | 5929 | 6356 |

* F.T.E. = Full Time Equivalent (Applies only to undergraduate students at University of Delaware)

Source: Delaware Higher Education Survey, 1972
Data from the Institutions

TABLE 9

TUITION/FEES
DELAWARE HIGHER EDUCATION INSTITUTIONS

| INSTITUTION | YEAR | Type Student COMMUTING | NON-COMMUTING |
|---|---|---|---|
| Delaware State | 1968 | $288-$638* | $ 938-$1283* |
| | 1969 | $298-$648* | $ 948-$1298* |
| | 1970 | $335-$760* | $1085-$1510* |
| | 1971 | $345-$920* | $1095-$1670* |
| | 1972 | Unavailable | |
| Delaware Tech | 1968 | Unavailable | |
| | 1969 | Unavailable | |
| | 1970 | Unavailable | |
| | 1971 | Unavailable | |
| | 1972 | $390-$850* | N/A |
| University Del. | 1968 | $410-$945* | $1260-$1795* |
| | 1969 | Unavailable | |
| | 1970 | $425-$1100* | $1435-$2110* |
| | 1971 | Unavailable | |
| | 1972 | $475-$1350* | $1575-$2450* |
| Brandywine | | Data Unavailable | |
| Goldey Beacom | 1968 | Unavailable | |
| | 1969 | Unavailable | |
| | 1970 | Unavailable | |
| | 1971 | Unavailable | |
| | 1972 | $1235- | $1814** |
| Wesley | 1968 | $1344 | $2175 |
| | 1969 | $1544 | $2400 |
| | 1970 | $1500 | $2650 |
| | 1971 | $1500 | $2750 |
| | 1972 | $1974 | $2995 |
| Wilmington | 1968 | $1295 | $2595 |
| | 1969 | $1395 | $2795 |
| | 1970 | $1550 | $3050 |
| | 1971 | $1600 | $3100 |
| | 1972 | $1700 | $3200 |

* = Non-Delaware resident students

** = Includes estimated average charges for room and board in both men and women dormitory facilities

Source: The institutions

## BRIEF DESCRIPTION OF INSTITUTIONS

### Delaware State College

Delaware State College was established in 1891 under legislation on land grant colleges as an institution for black students. No longer an exclusively black institution, over one-third of the full time students are white. Because of recent building programs, many of its facilities are new.

Delaware State is a fully accredited four year institution offering a wide variety of courses leading to the B.A. or B.S. degrees. No graduate programs are offered at present.

Financial aid is available for deserving students. For example, a total of $800,000 was granted to students in 1970. The Delaware General Assembly appropriates $25,000 a year for scholarships awarded annually to the college.

The institutions philosophy as stated by the college follows:

> Delaware State College is a group of scholars actively seeking the truth, creatively teaching the truth, and carefully preserving the truth. The College claims the right, without restraint, to investigate the whole province of knowledge. With this freedom, the College accepts the responsibility of communicating this knowledge to all who can make good use of it. Accordingly, it acknowledges that teaching is of primary importance.

> The College is committed, first and foremost, to intellectual excellence. It is, therefore, the acknowledged obligation of the College to provide an academic environment which develops free inquiry and the exchange of ideas. Classrooms, residence halls, dining halls, athletic fields, teachers and staff, cultural activities, the unorganized as well as the organized activities of the campus; all of these are viewed as positive influences by means of which students are educated. Indeed, the College believes that education takes place through the activities of the student himself.
>
> Delaware State College enthusiastically accepts the challenge of the Future. Its resources, both physical and human, are dedicated to the education and enlightenmant of man.

Delaware Technical And Community College

Both campuses of the Delaware Technical and Community College provide a two-year comprehensive program above the high school level. Del. Tech opened its southern campus at Georgetown in 1967 and the northern campus in Wilmington in 1968. Both campuses are fully accredited. The principle function of the college is to help students develop semi-professional and occupational skills and, by so doing, enhance the economic base of the State. For these reasons college curricula are principally job-oriented. Some general education programs, however, are available as well as preparatory courses for students planning for later transfer to four year institutions. Evening session students at Del. Tech comprise from 40-55% percent of the total enrollment.

University of Delaware

The University of Delaware is the oldest institution of higher education in the State. Its first abode was a small school house near New London, Pennsylvania in 1743. In 1769, the school was chartered by Thomas and Richard Penn and was known as Newark Academy. In 1833 the school was chartered under the name of Newark College and became a degree granting institution. In 1867, the college was designated as a land grant college for the State. The General Assembly designated the college a state institution in 1913 and its present organization was established in 1921.

The University offers the Associate, Baccalaureate, Masters and Doctoral degrees in a wide array of disciplines.

The University's Charter cities the collowing as the purpose of the University:

> The leading object of the University shall be to promote the liberal and practical education of persons of all classes in the several pursuits and professions in life through the teaching of classical, scientific and agricultural subjects, the mechanical arts, military tactics, and such other subjects as are related to and will contribute to the achievement of the objectives of a Land-Grant, State University.

Brandywine College

Brandywine College is a private two-year co-educational institution fully accredited by the Middle States Association

of Colleges and Secondary Schools. It is chartered by the State of Delaware and opened in September, 1966. Brandywine College offers general education courses in humanities, social and physical sciences, and business. The college offers a two-year liberal Arts Program. An Associate Degree is conferred upon completion of requirements. More than fifty percent of Brandywine graduates continue their studies leading to the baccalaureate degree at senior colleges.

The purpose and objectives of the college are stated below:

> The goal of Brandywine College is to prepare the student for a responsible and rewarding life in a complex world, for advanced education in the senior college, or for immediate employment with personally satisfying opportunities for advancement and financial success in business. Some programs at Brandywine are terminal and some lead to transfer to senior colleges. An Associate Degree is conferred upon the completion of requirements.
>
> The founding philosophy and expressed policy of the college holds that the educational welfare of the student is the chief concern. It recognizes further that it is also the obligation of the institution to help develop qualities which fit young people to meet the growing responsibilities of good citizenship in a self-governing society.
>
> The program at Brandywine provides opportunities for cultural and personal development. This is achieved not only through a broad program of academic experiences, but also by particular attention to the advantages of a college life rich in cultural and social activities.

Goldey Beacom College

Goldey Beacom College is an independent, non-profit, co-educational two year institution which grants an Associate in Arts degree. The institution, long recognized as Delaware's professional college of business, has been located in Wilmington since 1886. Goldey Beacom serves as an urban, career-oriented institution of business, specializing in Accounting and Secretarial Sciences. The institution was a pioneer in the introduction of medical, executive, and legal secretarial programs, the installation of electronic data processing equipment in the classroom, and many other significant programs later adopted by other schools and colleges throughout the nation.

In 1969 Goldey Beacom College was chartered by the State of Delaware as a non-profit educational institute.

The philosophy of Goldey Beacom is reflected in the school's statement of objectives:

1. To train the student in the area of business best suited to his abilities and interests so that he can become a self-supporting member of the community and, within a reasonable time, advance to a supervisory and administrative position.

2. To educate the student in the principles of business which stress not only his rights, but also his duties to all fellow citizens.

3. To furnish a student with the best qualified teachers and the most modern equipment available.

4. To help one develop the personality traits so essential for a successful career in business.

5. To keep the cost of training as economical as possible.

6. To provide for and to guide the graduate in the selection of a position offering the best future consistent with his training.

7. To maintain free lifetime employment service.

Wesley College

Wesley College opened its doors one hundred years ago in 1873. It was known then as the Wilmington Conference Academy. In 1918 a new charter changed the name to Wesley Collegiate institute. In 1932 with the advent of the Depression, Wesley closed its doors and remained closed for the next decade. Strong support from the City of Dover coupled with additional private support allowed the college to reopen in 1942. With the return of World War II veterans, Wesley prospered.

Wesley is fully accredited by the Middle States Association of Colleges and Secondary Schools and the University Senate of the Methodist Church. Although affiliated with the Methodist Church, Wesley's student body comes from diverse religious

backgrounds. For example, while there are 291 students currently attending Wesley who indicate affiliation with the Methodist Church, 280 students indicate preference for the Roman Catholic faith.

Enrollment has increased from 295 students in 1959 to 821 in the fall of 1972, not including 295 part time and evening students.

Wesley College awards the Associate in Arts Degree in eleven different curricula.

The philosophy of the College as outlined in Wesley's Report to Middle States Association of Colleges and Secondary Schools is presented below.

> The faculty and administration of Wesley College seek to recognize the dynamics of a rapidly changing world and provide responsive means for meeting the human needs brought about by these changes. The College is open to all persons who can benefit from its services, and it encourages the use of its resources by both the campus community and by the community at large.
>
> Wesley College is committed to the belief that an education is much more than the sum of all the courses taken. It attempts to foster a Christian way of life through what persons are and can become as students, as faculty, as staff

and as administrators. It is also committed to a belief that a faculty whose members are seeking to achieve the attributes that Christ exhibited and administrators who are dedicated to supporting these can shape an environment for study and experience that is qualitatively different from that of the "secular" campus.

Wesley seeks to provide support for each student in his struggle for self-actualization. It is concerned with the student's academic progress and with his growth as a total human being. While Wesley College recognizes the individuality of each student and seeks to provide for its expression, the college also takes seriously its responsibility to guide his development into mature adulthood. Wesley attempts to meet the needs of students and foster their individual self-realization by involving them in decision-making processes, creating a positive learning climate, and providing a variety of services and activities.

Wilmington College

Wilmington College was founded in 1965 by a group of public spirited citizens. The college opened its doors in 1968 and graduated a charter class of 160 in June, 1972.

The institution is a non-profit, co-educational four year institute, and was chartered by the State Of Delaware in 1967. The College confers the Baccalaureate degree in Business and Liberal Arts. Wilmington College is in a "Recognized Candidate" status for accreditation and is expected to receive full accreditation imminently.

The philosophy and purpose of Wilmington College as stated in its Institutional Self Study for Initial Accreditation is:

To provide a college atmosphere that is friendly and group-oriented, that emphasizes the practical benefits of a college education, stresses enrichment of the student's personality, fosters a sense of propriety, and encourages the student in the pursuit of knowledge for its own sake.

Wilmington's purpose is to offer students the sort of college experience that is possible only in a small college where faculty, students and aministrators form a "community". Its purpose regarding intellectual development, the acquisition of skills which will prepare these students for rewarding and useful professions, careers and jobs, and the development of individual talents, is much the same as the purpose stated by many other educational institutions. But it does seek to provide a unique opportunity for students to live and work closely with others (peers and teachers) joined together by common interests and working together at common problems. Wilmington is committed to the position that no one on campus will be treated as a number, but will be regarded as a total human being. The interest of the administration and faculty in each student is personal and not limited to the classroom. Curricula and degree requirements may be similar to other colleges but Wilmington adds to this an atmosphere of genuine concern for the growth of each student as a person; this is manifested in a warm, friendly relationship between students and faculty-administration.

It is our conviction that real learning takes place more readily in an atmosphere of acceptance and trust; that students are more influenced by what the teacher "is" than by what he "says", and that the opportunity for personal contact with dedicated teachers is the key ingredient in motivating students. The large universities can provide certain computerized, mechanized learning resources but often do not provide the sense of a community of scholarship. It is Wilmington's purpose to bring together faculty and students so each can grow in his common pursuit of knowledge.

Education involves an understanding of essential principles, but these need not be presented in a dry, cold, impersonal way. The campus and the enrollment are small enough to keep it personal, but our ideas and our hopes are very big.

The way life is for most people, there is little time for reflection. The family must be provided for, and daily activities keep us pressed for time. By the time we have the leisure for reflection, the major decisions have been made in our lives, and we can only reflect on whether our choices were right or wrong. Wilmington gives the young person time to reflect at the beginning of life, when it really counts. We cannot guarantee that they will choose correctly; we can only guarantee that they will have been shown the best alternatives and encouraged to choose wisely for themselves.

STATE AID TO PRIVATE HIGHER EDUCATION IN DELAWARE

## CONSTITUTIONAL PROVISIONS

No determination will be made in this study regarding the constitutional eligibility in Delaware for any of the support methods discussed. Such questions pertaining to the constitutionality of certain programs can only be examined in the light of the particular program and the nature of the private institution concerned.

Appropriate provisions of the Delaware State Constitution that relate directly or indirectly to this matter are presented below.

ARTICLE 5

EDUCATION

Section 3. Use of Educational Funds by Religious Schools; Exemptions of School Property From Taxation.

No portion of any fund now existing, or which may hereafter be appropriated, or raised by tax, for educational purposes, shall be appropriated to, or used by, or in aid of any sectarian, church or denominational school; provided, that all real or personal propertyused for school purposes, where the tuition is free, shall be exempt from taxation and assessment for public purposes.

Delaware State Senate, 127th General Assembly proposed Senate Bill No. 1 - Amendment to the Constitution of the State of Delaware. The proposed bill provides the following:

ARTICLE 6

FINANCE

6.01 (c) (added)
(In part)

The governing bodies of each County or municipality are hereby authorized to exempt from taxation such property in their respective jurisdictions as in their opinion will best promote the public welfare.

ARTICLE 7

EDUCATION

7.03 No public funds shall be appropriated to, or used by, or in aid of any private, sectarian, church or denominational school.

EXISTING STATE AID PROGRAMS

Title 14, Chapter 3404 of the Delaware Code, Higher Education Scholarships, authorizes the expenditure of funds in the form of scholarships to students pursuing courses in special areas. This scholarship program is the only state-funded program in support of higher education in Delaware.

The purpose of the program is to encourage qualified Delaware students to pursue courses of higher education when such courses are unavailable in State-supported institutions.

The State Board of Education administers this program. Each year a sum of money is appropriated by the General Assembly. This money known as the Scholarship Fund is used to administer the program.

Scholarships are awarded subject to the following limitations:

1. No student shall be eligible for such scholarship who was not a resident of the State for at least one year immediately prior to approval of the award. Residency status of a student under 21 years of age shall be determined by the lega residence of his parent or a court appo nted guardian who must have qualified as a registered voter in Delaware and who is subject to payment of Delaware income taxes. In the case of a student over 21 years of age, he must have qualified as a registered voter in Delaware and must be subject to the payment of Delaware income taxes;

2. Scholarships shall be awarded only to persons who have been accepted as full-time students to pursue programs of study leading to a recognized baccalaureate or professional degree at a four-year college or university which is accredited by one of the regional accrediting associations. No scholarships shall be granted to a student to pursue a course of study available in an institution supported by the State of Delaware;

3. Scholarships shall be limited to those fields of study leading to occupations or professions for which there is reasonable expectation of job opportunity in the State of Delaware upon completion

of such study. Among those programs for which scholarships may be awarded are Architecture, Dentistry, (not pre-dental), Forestry, Law, Medicine (not pre-medical), Optometry, Chiropratic, Social Work, and Veterinary Medicine, and such other professional programs as in the opinion of the Board fall within the spirit and letter of the Act;

4. Scholarships shall be awarded on the basis of academic qualifications and financial need. In general, the amount of each scholarship shall not be out of line in relation to the total expense of attending the institution selected with what the individual would have received under other scholarships provided for students desiring to study at State-assisted institutions. The board shall determine the amount of each scholarship, but in no case shall it exceed $800 annually to any one student;

5. Within six months after the end of each fiscal year, the Board shall submit a report to the General Assembly listing the recipients of scholarships awarded under this chapter, the stipends received by these students, the institution they attended, the programs of study they pursued and the occupations or professions for which these students are preparing;

6. Payment of funds shall be made on a semester or quarter basis only to institutions, not to individual scholarship holders, upon receipt of a bill from the institution certifying that the student is enrolled full-time in the program for which scholarship has been awarded.

The enrolling institution shall be asked to report the withdrawal or dismissal of any student holding scholarship awarded under this chapter and make restitution to the Scholarship Fund of sums not utilized for the purpose intended;

7. Upon re-application, scholarships are renewable provided the applicant continues to qualify on the basis of academic merit and financial need.

# SECTION VIII

# APPENDIX

# APPENDIX

The recently released 1973 second annual tabular survey of programs in operation or approved for state support of private higher education in the 50 states is contained in this Appendix.

This data was compiled by the Higher Education Services, Education Commission of the States.

It should be noted that the arrangement of this table (type of support) differs slightly from the classifications of aid discussed in the body of this report.

## STATE SUPPORT OF PRIVATE HIGHER EDUCATION: PROGRAMS IN OPERATION OR APPROVED IN THE 50 STATES AS OF JANUARY 1973

| STATE | CONTRACTS -1- | DIRECT INSTITUTIONAL AID -2- | DISADVANTAGED/ MINORITIES -3- | FACILITIES ASSISTANCE/ AUTHORITIES -4- | MEDICAL/ DENTAL/ NURSING -5- | STUDENT ASSISTANCE -6- | OTHER -7- |
|---|---|---|---|---|---|---|---|
| ALABAMA | None | (a) Two-year Appropriations. Funding: 1971-72, Tuskegee, $75,000/yr. Walker, Jr., $200,000/yr. Marion, $200,000/yr. Restrictions: None | None | (a) Direct grants (Col. 2) could be used for facilities. | None | (a) New student tuition grant program to be proposed to 1973 legislature. | None |
| ALASKA | None | (a) See Column 5 (medical) | None | None | (a) Support of baccalaureate program at Alaska Methodist University. Funding: $137,000 for fiscal 1973. | (a) Scholarships loans; for use at accredited in-state or out-of-state institutions. Funding: 1972-73 $3 million. Distribution: Amount based on need; limit $2,500 a year for undergraduates, $5,000 a year for graduates. Restrictions: Limited to 2-year Alaskan residents; forgivable per cent rate dependent on residence and employment in state after graduation; 10 per cent forgiven for 2 years up to 40 per cent for 5 years.<br><br>(b) Grants to students attending Alaskan private institutions. Funding: Estimated cost, 1972-73, $1.3 million. Distribution: Provides tuition and fees difference between public and private institutions; maximum $1,400 per year. | None |
| ARIZONA | None | None | None | None | None | None | None |
| ARKANSAS | None | None | None | None | None | None | None |
| CALIFORNIA | (a) See Column 5 (medical) | None | (a) College Opportunity Grant Program. Funding: 1972-73 $4.5 million. Distribution: Tuition plus subsistence up to $900 per year.<br><br>(continued next page | (a) Educational Facilities Authority. Purpose: To issue tax-exempt bonds for construction of facilities. | (a) Contracts with independent medical schools to increase enrollments—1971 legislation. Funding: $12,000 per year for each additional student enrolled. | (a) State Scholarship Program. One-half of awards and 80 per cent of funds for students in private institutions. Funding: 1972-73. $23.6 million.<br><br>(continued next page) | None |

| STATE | -1- CONTRACT | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| CALIFORNIA (continued) | | | Restrictions: Total 2,000 new recipients per year.* | | | Distribution: Maximum $2,000 per student**. Restrictions: For residents use in the state only.<br><br>(b) Fellowship program for graduate and professional students. Funding: 1972-73 $1 million. Distribution: Competitive awards based on need. Restrictions: Tuition and fees only.<br><br>(c) See Column 3 (disadvantaged) | |
| COLORADO | None | None | None | None | None | (a) 1972 constitutional amendment will permit legislation to create a student loan program. The 1973 legislature may consider such action. | None |
| CONNECTICUT | (a) Contracts with private institutions to provide space for full-time undergraduate state residents. Funding: 1972-73 $1,134,300 Restrictions: Grants to institutions per student cannot exceed an amount equal to 1/3 of the difference between average cost of the state for educating full-time undergraduates in public institutions and those students' tuition charges; number of participating students not to exceed 10 per cent of full-time undergraduate state residents in private colleges and<br><br>(continued next page) | (a) See Column 3 (disadvantaged) | (a) Transitional grant program for disadvantaged students: grants to institutions for guidance, tutoring, etc. for such students, for use in both public or private institutions. Funding: 1972-73 $228,000. Distribution: Students; not to exceed $1,000 annually. Institutions: Not to exceed $500 per student enrolled under program. Restrictions: Primary consideration to potentially capable but disadvantaged students.<br><br>(b) Connecticut Faculty Talent Search to identify minority group members who could be employed (continued next page) | (a) Connecticut Health and Educational Facilities Authority. Purpose: Issue tax-exempt bonds for facilities construction at public or private institutions or hospitals. | None | (a) State Scholarship Program eligible for any student accepted at any postsecondary institution in- or out-of-state. Funding: 1972-73 $1,841,000. Distribution: Maximum $1,000 per student per year. Restrictions: State residents only.<br><br>(b) See Column 3 (disadvantaged)<br><br>(c) Scholarships for veterans' surviving dependents. Funding: 1972-73 $50,000.<br><br>(continued next page) | None |

* As most recipients enter junior college, the program has to date offered limited use for private institutions. This will change as junior college students transfer to four-year institutions.

**$2,200 per student effective fall 1973.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| CONNECTICUT (continued) | the total appropriation. Each participating college agrees to provide aid to students equal to 80 per cent of contracted funds.<br><br>(b) Authorized program of contracts with private institutions for programs, facilities, and services. Funding: not funded in 1972-73. | | as higher education faculty or administrators. Funding: 1972-73 $76,000.<br><br>(c) Connecticut Talent Assistance Cooperative to identify talented but disadvantaged high school students, dropouts, and noncontinuing high school graduates; includes recruitment, counseling and placement. Funding: 1972-73 $38,000. | | | (d) College Continuation Grants, for use in public and private instate institutions. Funding: 1972-73 $190,000.<br><br>(e) Work-Study Program, for use in public and private instate institutions. Funding: 1972-73 $103,075.<br><br>(f) State guaranteed student loan program, operated by Conn. Student Loan Foundation. Funding: $40 million in new guarantees were made in 1972-73 to about 16,000 students. | |
| DELAWARE | None | None | None | None | None | None | None |
| FLORIDA | None | None | None | None | None | (a) Florida Insured Student Loans for eligible students for attendance at accredited public or private institutions. Funding: $40 million authorized to be issued in revenue bonds for loans. $8 million in bonds sold on 1/16/73.<br><br>(b) Florida Student Assistance Grant Program for students at accredited public or private institutions. Funding: 1972-73 $360,000. Distribution: Based on need; in 1972-73, $295,985 granted to 337 students. Maximum $1,200 per yr; minimum $200. Restrictions: Recipients to have been state residents for 2 years. | None |

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| GEORGIA | None | None | None | None | None | (a) Tuition grants for state residents attending private accredited institutions.<br>Funding: 1972-73 $2.8 million; 1973-74 $4.4 million.<br>Distribution: $400 per student per academic year.*<br>Restrictions: Prohibited for primarily sectarian institutions; excludes institutions receiving state funds under 1970 Junior College Act. | None |
| HAWAII | None | None | None | None | None | None | None |
| IDAHO | None | None | None | None | None | None | None |
| ILLINOIS | None | (a) Direct grants to private institutions for state residents enrolled.<br>Funding: 1972-73 $6 million.<br>Distribution: $100 per each freshman or sophomore State Scholarship Commission recipient; $200 for each junior or senior state resident. | (a) See Column 6 (student assistance) | (a) Ill. Educational Facilities Authority created in 1970.**<br>Purpose: Issue revenue bonds for educational facilities construction at private institutions. | (a) Grants for increased enrollment of Illinois residents in medical, dental, nursing, allied health, and residency program.<br>Funding: 1972-73 $15.9 million.<br>Distribution: By formula and project grant. | (a) Competitive state scholarship and financial need programs for state residents attending public or private state institutions.<br>Funding: 1972-73 $59.7 million.<br>Distribution: Maximum of $1,200 per student. | (a) Project grants for interinstitutional cooperation, public and private.<br>Funding: 1972-73 $350,000. |
| INDIANA | None | None | None | None | None | (a) State Scholarship Program awarded on competitive basis; factor of need also considered.<br>Funding: 1972-73 $8,644,620.<br>Distribution: Stipend limited to cost of tuition and fees or $1,400, whichever less.<br><br>(b) Educational grant program based on need upon admission to any accredited Indiana Institution.<br>Funding: 1972-73 $7,890,266. | (a) Tax credits allowed against state income tax equal to amount of contributions to institutions of higher education in the state.<br>Taxpayers: 20 per cent of adjusted gross income or $50, whichever is less; maximum credit of $100 on joint return.<br>Corporations: 5 per cent of total adjusted gross income or $500, whichever is less. |

* Limited to freshmen and sophomores in 1972-73; and to freshmen, sophomores, and juniors in 1973-74. Full program covering all 4 undergraduate years to be implemented in 1974-75.

** The Illinois Educational Facilities Authority Act was challenged, but declared constitutional by the Illinois Supreme Court in September 1972.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| IOWA | None | None | (a) Tuition grants for low-and middle-income students at Iowa private colleges of their choice.<br>Funding: 1971-73 $8 million.<br>Distribution: Maximum of $1,000 per year based on family financial need.<br>Restrictions: Cannot exceed tuition and fees minus average amount that would be paid at state institution. | None | (a) Property purchase funds for new building site for Des Moines College of Osteopathic Medicine and Surgery.<br>Funding: 1972 $500,000. | (a) Scholarships based on ability and financial need and usable at any accredited public or private institution in state by residents.<br>Funding: 1972-1973 $235,000.<br>Distribution: $100-$800 depending on need and tuition.<br>Restrictions: Used only for tuition and fees.<br><br>(b) See Column 3 (disadvantaged) | None |
| KANSAS | None | None | (a) See Column 6 (b) (student assistance) | None | None | (a) Limited competitive scholarship program; 150 freshman annual awards based on need.<br>Funding: Per year $150,000.<br>Distribution: Tuition or $500, whichever is less.<br>Restrictions: Renewable only once.<br><br>(b) Tuition grants for low and middle-income students at Kansas private colleges.<br>Funding: 1972-1973 $1 million.<br>Distribution: Tuition fees or financial need based on family contributions, whichever less; maximum, $1,000.<br>Restrictions: Student must pay $450 before grant is calculated against total cost. | None |
| KENTUCKY | None | None | None | None | None | (a) Tuition grants for students at private nonprofit colleges and universities.<br>Funding: 1972-74 $2,500.* | None |
| LOUISIANA | None | None | None | None | None | None | None |

* Minimum funding to allow for a constitutional test of the program in 1973.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| MAINE | None | None | (a) Scholarships aid for Maine Indians for attendance at any accredited secondary or post-secondary institution. Funding: 1972-1973 $20,000. | None | None | (a) Program of financial aid to residents attending private schools. Funding: 1972-73 $150,000. Distribution: Based on need; up to $800 per year per student. Restriction: Program authorized for one year only. | None |
| MARYLAND | None | (a) Direct aid to state-accredited private institutions.* Funding: 1972-1973 $2 million. Distribution: $200 per earned AA degree; $500 per earned B.A. degree; theological degrees excluded.<br><br>(b) See Column 4 (facilities) | None | (a) Although no specific facilities program in state, many grants have been given over past years to private institutions for this purpose through specific legislation. | See Column 6 a (2) (student assistance) | (a) State Scholarship Board Programs,** among the major of are (1) general state scholarships, $100 to $1,500 based on financial need and SAT results; (2) medical scholarships; (3) grants for war orphans and disabled veterans' children; (4) Senatorial and Delegate scholarships, awarded on basis of quota per legislator; unit-value is $100; maximum 15 units per recipient. Funding: For Board programs. 1972-73 $4 million. | None |
| MASSACHUSETTS | None | None | None | (a) Massachusetts Educational and Health Facilities Authority. Purpose: To issue tax-exempt bonds for construction of private institutional facilities; interest and amortizations paid by institution for up to 40 years. | (a) Medical, dental, and nursing scholarships based on need. Use at public or private institutions. Funding: 1972-73 $350,000. Distribution: Medical/dental private sector stipend $700. | (a) General state scholarships renewable for up to 4 years of undergraduate study—includes over 3,000 awards for residents based solely on need. Use at public and private institutions. Funding: 1972-1973 $8 million. Distribution: Annual awards $900 in private sector. Restrictions: Usable anywhere in United States at eligible institutions. No less than 75 per cent and no more than 90 per cent of scholarship funds may (continued next page) | None |

* The program is currently under an American Civil Liberties Union suit on constitutionality grounds.

** The Board administers a number of scholarship programs, most of which are usable at either public or private institutions.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| MASSACHUSETTS (continued) | | | | | | be used for the private sector. In 1972-73 approximately 80 per cent of the $8 million will be used in the private sector.<br><br>(b) See Column 5 (medical/dental/ nursing.) | |
| MICHIGAN | (a) Contracts for dental school services at accredited non-public schools of dentistry in the state.<br>Funding: 1972-73 $194,400.<br>Distribution: $2,400 for each doctor of dental surgery or dental medicine degree earned by Michigan residents.<br><br>(b) Contracts for law school services at law schools which are units of nonpublic universities.<br>Funding: 1973 $80,000.*<br>Distribution: $1,000 for each juris doctor degree earned by Michigan residents. | None | None | (a) Higher Education Facilities Authority.<br>Purpose: To issue tax-exempt bonds for construction of private institutions academic facilities. Authority has been established but no bonds issued as as of December 1972. | (a) See Column 1 (contracts) | (a) Competitive scholarship program; applicants rated on test scores and class rank; in 1972-73, private college students will get 20 per cent of scholarships and 25 per cent of funds.<br>Funding: 1972-73 $8.166 million.<br>Distribution: Cash awards up to $800 per year for 4 years to those with financial need; honorary awards to those without.<br><br>(b) Tuition grant program based entirely on financial need for students attending private nonprofit institutions.<br>Funding: 1972-73 $5.666 million.<br>Distribution: Maximum of $800 per year for 4 undergraduate and 2 graduate years study (increased to $1,200 maximum effective 7/1/73).<br>Restrictions: Student tuition charges must exceed $240. Theology students not eligible.<br>(continued next page) | (a) Tax credits for contributions to general fund of any public 2 or 4 year institution in state.<br>Taxpayers: 1/2 of gift amount, or 20 per cent of state tax liability, or $100; $200 for married couples filing jointly.<br>Corporations: 1/2 of gift amount, or 10 per cent of state tax liability, or $5,000.<br><br>(b) Rebate of state gasoline taxes paid by private institutions for school buses. |

* Appropriation for 1973 only; further legislation must be considered to continue program.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| MICHIGAN (continued) | | | | | | (c) Guaranteed Student Loan Program. Distribution: Student may borrow up to $1,800/yr. for undergraduates and $1,500/yr. for graduates. | |
| MINNESOTA | (a) Contracts with private colleges for the education of additional state residents and of low-income students. Funding: 1971-1973 $2.7 million. Distribution: $500 per each state resident in excess of 1970 enrollment of residents, and $500 per each low-income state grant-in-aid recipient (the 2 payments are separate and unrelated). | (a) See Column 5 (medical) | (a) See Column 1 (contracts) | (a) Higher Education Facilities Authority. Purpose: To provide bonds for construction and renovation of public and private institutional facilities. | (a) Development of undergraduate medical school in cooperation with Mayo Foundation. Funding: 1971-1973 $320,000. Distribution: $8,000 per state resident enrolled. | (a) State Scholarship Program based on need, usable in public and private institutions and public area voc-tech. schools. Funding: 1971-72 $1,590,000, 1972-73 $2,500,000. Distribution: 1/2 of demonstrated need; range, $100 to $1,000. Restrictions: For upper 25 per cent academically only.<br><br>(b) Grant-in-aid program, based on need, usable in public or private and public area voc-tech. schools. Funding: 1971-72 $1,040,000, 1972-73 $2,500,000. Distribution: 1/2 of demonstrated need; range, $100 to $1,000. | (a) Interinstitutional TV projects with limited participation by private colleges. Funding: 1971-72 $165,000.<br><br>(b) Mini-tex library program including all private college libraries. Funding: 1971-73 $300,000. |
| MISSISSIPPI | None | None | None | None | None | None | None |
| MISSOURI | None | None | None | None | None | (a) Student Tuition Awards Program to students for use at public or private institutions. Funding: 1973 second semester, $105,000. Distribution: Based on need and academic prowess up to half of tuition and fees; maximum $900 per academic year. | None |
| MONTANA | None | None | None | None | None | None | None |

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| NEBRASKA | None | None | None | None | None | (a) Tuition aid grants for state residents in full-time degree programs at accredited private institutions in state.* Funding: 1972-1973 $500,000. Distribution: Up to $500 per year per student.<br><br>(b) State Investment Council program of direct loans to students at public or private institutions in state. Funding: As of 2/28/73, $1.2 million allocated and expended. Distribution: Effective 3/1/73, $2,500 per year maximum to a maximum of $10,000 total. | None |
| NEVADA | None | None | None | None | None | None | None |
| NEW HAMPSHIRE | None | None | None | None | None | None | None |
| NEW JERSEY | (a) Contracts with independent colleges and universities to maintain and preserve these education resources. Funding: 1972-73 $7 million. Distribution: Eligibility based on: (1) up to $300 per eligible student receiving aid; (2) $600 per additional student, $175 per underclassman, and $225 per upperclassman, all must be residents of state; (3) approved graduate programs; and (4) grant requests for computer and library services. | (a) Supplementary educational program grants for institutions under Educational Opportunity Grant Program. Funding: 1972-1973 $3,180,000.<br><br>(b) See Column 1 (contracts) | (a) Educational Opportunity Grant Program for disadvantaged students at public or private institutions. Funding: 1972-1973 $12.2 million. Distribution: Grants up to $1,000. | (a) Educational Facilities Authority. Purpose: to issue tax-exempt bonds for construction of facilities. | None | (a) State Scholarship Program—competitive awards for up to 5 per cent of instate high school graduates of previous year to attend public or private institutions. Funding: 1972-1973 $8,088,067. Distribution: Up to $500 per year. Restrictions: There are certain limitations on use at out-of-state institutions.<br><br>(b) Incentive grants for state scholarship holders attending in-state institutions with more than $500 annual tuition.<br><br>(continued next page) | None |

* A State Attorney General opinion has ruled the program unconstitutional; therefore the program will not be implemented pending a ruling now under consideration in the courts.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| NEW JERSEY (continued) | | | | | | Funding: 1972-1973 $1,516,400. Distribution: Maximum award of $500.<br><br>(c) Tuition aid grants based on financial need for students at instate institutions where tuition exceeds $500. Funding: 1972-1973 $3,570,000.<br><br>(d) County College Assistance Program for junior college transfers who need assistance in expenses-transfers to 4-year public or private. Funding: 1972-1973 $312,000. Distribution: Range of $500 to $1,000.<br><br>(e) See Column 3 (disadvantaged) | |
| NEW MEXICO | (a) Unilateral contracts with dental schools in other states outside of WICHE.* Funds paid to school, students pays reduced tuition, and difference in cost of education payment. | (a) Participation in the WICHE* student exchange program which involves payments of state funds to several private institutions in other states. | None | None | (a) See Column 1 (contracts) | None | None |
| NEW YORK | See Column 5 (c, d, and e) (nursing/medical/ dental) | (a) Grants to independent colleges and universities. Funding: 1972-1973 $30.2 million. Distribution: Formula based—$400 for each bachelor and master's degree awarded previous year; $2,400 for each doctorate. (continued next page) | (a) Educational Opportunity Funds for disadvantaged students at instate public or private institutions. Funding: 1972-73 $43.4 million including $6.85 million for private college students. | (a) Dormitory Authority for construction. Purpose: Provide tax-exempt bonds for residential and academic facilities construction at private institutions.<br><br>(b) Deferred major maintenance loans for private institutions. (continued next page) | (a) Competitive scholarships for 400 medical, dental, and osteopathic students. Funding: Not available. Distribution: $350 to $1,000 per year based on financial need. Restrictions: Up to 120 of medical awards reserved for students (continued next page) | (a) Regents Scholarship and Fellowship Programs—competitive and noncompetitive scholarships for use at in-state public or private institutions. Funding: 1972-1973 $30.6 million. Distribution: In 1972-73, 872,592 awards (continued next page) | (a) 10 endowed chairs at 10 private institutions in science and humanities. Funding: $500,000 per year. Distribution: $50,000 per chair. |

* Western Interstate Commission for Higher Education.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| NEW YORK (continued) | | (b) See Column 5 (b) (medical/dental)<br><br>(c) See Column 7 (endowed chairs) | | Purpose: Remodeling, restoration, or modernization of educational buildings. | agreeing to serve in physician-shortage areas. Stipends are $1,000 for first year and up to $4,000 for other three years, based on financial need.<br><br>(b) Grants to non-public medical colleges.<br>Funding: 1972-1973 $4.3 million.<br>Distribution: Formula—$1,500 each full-time student in M.D. program.<br><br>(c) Contract program to expand nursing enrollments; provide funds for each additional enrollee.<br>Funding: 1972-1973 $1.2 million.<br>Distribution: $300 for public community colleges, $1,000 for private junior colleges, $2,000 hospital diploma programs, and $2,500 bachelor degree programs per student.<br><br>(d) Contract program for nurses refresher courses and qualification courses for foreign trained nurses.<br>Funding: Approximately $250,000.<br><br>(e) Contract program to expand medical and dental school enrollments including capital grants.<br>Funding: 1972-73 $6.0 million.<br>Distribution: Medical—$6,000 for each student over total enrollment increase up to 25 per class or 100 per school. Dental-$3,000 per increased student. Capital—based on enrollment size and capital program. | from $250 to $1,000 based on need.<br><br>(b) See Column 5 (medical)<br><br>(c) Scholar Incentive Program, based on need, for student grants for use in the state. (noncompetitive)<br>Funding: 1972-1973 $47.1 million.<br>Distribution: Grants up to $600.<br><br>(d) See Column 3 (Disadvantaged)<br><br>(e) Guaranteed loans program.<br>Distribution: Student may borrow up to $7,500. In 1971-72, state guaranteed $153,302 loans totaling $167 million. | |

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| NORTH CAROLINA | (a) Contracts to enable private institutions to administer scholarships to needy N.C. students. Funding: 1971-1973 $450,000. Distribution: Distributed to students on formula based on new students over and above October 1970 enrollment. Restrictions: Each institution must disburse to needy students an amount equal to that received.<br><br>(b) Contracts for private institutions for residents of state enrolled as of October 1970. Funding: 1971-73 $575,000. Distribution: Formula based on residents enrolled in October, 1970. Restrictions: Same as column 1 (a) | (a) See Column 1a and b (contracts) | None | None | (a) Education of North Carolinians at two private schools of medicine. Funding: 1971-1973 $1,236,000.<br><br>(b) Financial assistance to hospital diploma nursing programs, including private. Funding: 1971-1973 $741,300. Distribution: $300 per student enrolled in nursing education programs as of Dec. 1 of preceding year. | (a) Comprehensive program of grants (see Column 1), loans, and work-study for residents at public or private institutions. Funding: $1 million authorized to support loan program through sale of tax-exempt revenue bonds.<br><br>(b) See Column 1 (contracts) | None |
| NORTH DAKOTA | None | None | None | None | None | None | None |
| OHIO | None | (a) See Column 5 (medical/dental) | None | (a) Higher Education Facility Commission. Purpose: To sell tax-exempt revenue bonds to finance educational facilities for private institutions. | (a) Financial assistance to Case Western Reserve University for education in medicine and dentistry. Funding: 1972-1973 $2,680,000. | (a) Student guaranteed loan program. Funding: State guaranteed $105,102,016 in loans at 1/31/73. Distribution: Maximum loan of $2,500.<br><br>(b) Instructional grant program for Ohio residents at in-state public and private institutions. Funding: 1972-1973 $16,160,000. Distribution: Maximum grant-$610 for public and $1,200 for private institutions based on adjusted effective income to<br><br>(continued next page) | None |

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| OHIO (continued) | | | | | | $11,000 and no. of dependent children. Restrictions: For full-time under-graduate students only. | |
| OKLAHOMA | None | None | None | None | None | (a) Tuition aid grants for full-time Okla. residents at public and private accredited institutions in state based on need. Funding: No funds appropriated as yet. Distribution: Maximum grant of $500 per student, but not more than 50 per cent of tuition and/or fees. | None |
| OREGON | (a) Direct aid to accredited private institutions in Oregon through contracts for secular education of state residents. Funding: 1971-1973 $2 million. Distribution: Up to $250 for every 45 quarter hours completed; $1,000 for every student completing 4 years of undergraduate education. | (a) See Column 1 (contracts) | None | None | None | (a) Need grant awards based on financial need, and cash awards program based both on need and academic achievement for students attending any accredited college or university in state. Funding: 1971-1973 $2,000,000* -- $1.5 million for need grant awards; $500,000 for cash awards. Distribution: Need grants based on family income with $500 maximum grant. | None |
| PENNSYLVANIA | (a) A contract program is provided for in 1971 Master Plan, but is not as yet implemented. | (a) The state has traditional programs of direct aid to 12 private institutions referred to as state-related (general funding) and state-aided (mainly focussed on programs of benefit to the state). Funding: 1972-73 $27,542,000. | (a) Institutional aid to private institutions for remedial programs for disadvantaged students. Funding: 1971-72 total appropriation $2 million, of which about $700,000 was awarded to private institutions. | None | (a) Medical programs included in Column 2 (a) | (a) Second largest state scholarship program for use at instate or out-of-state public or private institutions, hospitals, nursing schools, and in-state private trade and business schools. Based on SAT scores (for eligibility) and need in relation to total cost (continued next page) | none |

* A total of $2.5 million was appropriated, with $500,000 earmarked for public community colleges.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| PENNSYLVANIA (continued) | | | | | | less family contributions.*<br>Funding: 1972-1973 $60.4 million.<br>Distribution: Maximum award at instate institution, $1,200 and $800 out of state. 50 per cent of need is met for families with less than $8,000 annual income and 33 1/3 per cent of need if income is over $8,000. About $25 million used by students at private institutions.<br><br>(b) Senatorial scholarships for use at 5 institutions, 2 of which are private.<br>Distribution: Up to 1/2 of tuition. | |
| RHODE ISLAND | None | None | None | None | None | (a) Tuition and fee grants, based on merit and need, for use at in or out-of-state public or private institutions.**<br>Funding: 1972-73 $1,867,000.<br>Distribution: Minimum award, $250; maximum $1,000. Number of awards: 5 per cent of total number of 4th year high school students as of October multiplied by $750, which is the average award granted. | None |

* Nontransferable programs from community colleges and scholarship recipients at hospital nursing schools and private trade and business schools are eligible for Education Incentive Program awards for needy students who do not meet the required test scores.

**To date, most recipients have chosen to attend the state's public institutions.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| SOUTH CAROLINA | (a) State contracts with private colleges to provide public school teacher training. Funding: 1972-73 $100,000. | (a) Practice teaching fees to compensate public school teachers supervising undergraduate practice teachers at private colleges. Funding: $100,000. | None | (a) Bond Authority. Purpose: Grants permission for private colleges to issue tax-exempt bonds for construction of physical facilities. | None | (a) Tuition grants program, based on merit and need for students attending private institutions.* Funding: 1972-73 $150,000. Distribution: Based on per student appropriation at public institution—about $1,300.<br><br>(b) See Column 1 (contracts)<br><br>(c) State Education Assistance Authority.** Purpose: To issue revenue bonds to make or guarantee loans of students at all institutions including vocational schools. | (a) Authority granted for private institutions to purchase from State Purchasing office and to utilize contracts negotiated by the office. Funding: None, but major savings to the private have resulted. |
| SOUTH DAKOTA | None | None | None | None | None | None | None |
| TENNESSEE | (a) See Column 5 a (medical) | None | None | None | (a) Contracts for Vanderbilt University and Meharry Medical College for increasing enrollment of Tenn. medical students. Funding: 1972-73 $40,000. Restrictions: Payment for each additional state resident student not to exceed the per student appropriation at the public medical school.<br><br>(b) Loan-Scholarship program for Tenn. medical students who intend to practice in a shortage area of the state; for use at accredited in- or out-of-state medical schools.<br>(continued next page) | (a) Tuition grant program based on need for use at any accredited public or private institution. Funding: 1972-73 $1,250,000. Distribution: Maximum grant of $1,000. Restrictions: Limited to tuition and fees.<br><br>(b) See Column 5 (b) (medical) | None |

* In a 1972 referendum, 60 per cent of voters approved constitutional change which eliminates prohibition of indirect state support of church-related colleges.

**State Supreme Court ruled the Authority is constitutional.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| TENNESSEE (continued) | | | | | Funding: 1972-1973 $180,000. Distribution: Up to $3,500 each calendar year or $14,000 total. | | |
| TEXAS | (a) See Column 5 (medical) | None | None | None | (a) Contracts with Baylor University for medical and dental training of Texas residents. Funding: 1972-73 Medical: $5 million Dental: $1.7 million. (b) Contracts with Texas College of Osteopathic Medicine for Texas under-graduate medical students. Funding: 1972-73 $300,000. | (a) Tuition equalization grants based on need for Texas residents attending an instate private institution of their choice. Funding: 1972-73 $3 million. Distribution: Grants up to $600 per student Restrictions: For tuition only and only freshmen and sophomores eligible in 1972-73.* | None |
| UTAH | None | None | None | None | None | None | None |
| VERMONT | None | None | None | None | None | (a) Incentive grant program, based on need, for Vermont residents attending public or private post-secondary institutions, in or out of state. Funding: 1972-73 $2.5 million. Distribution: 1972-73: $1,050 per student at public institutions, $1,200 per student at private, and $1,050 per student for out-of-state public or private institutions. | None |
| VIRGINIA | None | None | None | (a) Virginia College Building Authority, reactivated by 1972 legislature. Purpose: To provide a means for private colleges to borrow money for new construction using tax-exempt bonds. (continued next page) | (a) Scholarships for nursing and dental hygienist students, awarded same as column 6 (a). Distribution: Nursing, 100 awards per year; dental, 6 per year. Restrictions: Same as column 6 (a). | (a) State Teacher Scholarships for loans to students primarily at public institutions; about 5 per cent of the funds go to private non-sectarian college students. Distribution: 5,000 to 6,000 awards per (continued next page) | (a) Private institutions are exempt from property and sales tax. |

*Juniors will be added in 1973-74 and seniors in 1974-75.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| VIRGINIA (continued) | | | | Restrictions: For colleges whose primary purpose is to provide collegiate or graduate education. | | year at about $450 each. Restrictions: Recipients must teach in state one year for each year of scholarship.<br><br>(b) See Column 5 (nursing/dental)<br><br>(c) Tuition assistance loans for all Virginia students attending private institutions.* Funding: see (d) below. Distribution: Freshmen only eligible in 1973-74; maximum loan, $400.<br><br>(d) Aid to Virginia students based on need; scholarship grants to students at public institutions; loans to students at private institutions.* Funding: 1973-74 $750,000; 90 per cent must be used for tuition assistance loans (part c above.) | |
| WASHINGTON | None | None | None | None | None | (a) Student aid program based on need—students may attend institution of their choice in state. Funding: 1971-1973 $1,376,700. Distribution: 1/3 difference college cost and total family contribution.<br><br>(b) Tuition supplement program for every undergraduate state resident attending a private institution in state.** Funding: 1971-1973 $1.7 million. Distribution: Maximum of $100 per student. | (a) 1971 legislation clarified tax-exempt status of private institution properties and services. |

* These two programs were first approved in 1972 but declared unconstitutional. Major change in the 1973 programs was to make the repayment clauses severable as another court test is pending. Constitutional amendment to permit direct grants to private college students and direct grants and contracts for private colleges approved by 1973 legislature. Must be reaffirmed by 1974 legislature before voted on by public.

**Court case questioning the tuition supplement program is pending before the State Supreme Court.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| WEST VIRGINIA | None | None | None | None | None | (a) State scholarship program for students who are residents enrolled at approved public or private institutions; based on financial need, character, and academic promise.<br>Funding: 1972-1973 $425,000.<br>Distribution: Minimum of $100 and maximum of $900 per academic year; award may not surpass tuition and fees. | None |
| WISCONSIN | (a) See Column 5 (c) (dental) | (a) See Column 5 (b) (medical) | (a) Assistance to American Indian students based on need enrolled in public or private institutions.<br>Funding: 1971-1973 $207,300.<br>Distribution: Maximum of $1,500 per student.<br><br>(b) Talent incentive grants for the disadvantaged identified under the state talent search.<br>Funding: 1971-1973 $335,000.<br>Distribution: Up to $1,000 per student for 500 students. | None | (a) See Column 6 (d) (student assistance)<br><br>(b) Direct annual assistance to the Medical College of Wisconsin (private).<br>Funding: Annually $1,876,500.<br><br>(c) Contracts to provide dental education to state residents at Marquette University.*<br>Distribution: $3,500 for each resident enrolled. | (a) Tuition grant program to offset tuition differences between public and private institutions based on need scaled to taxable family income.<br>Funding: 1971-1973 $5,857,000.<br>Distribution: Maximum award of $900 per year--4 income groups ranging from below $6,000 to a maximum of $12,000.<br><br>(b) Honor scholarship program awarded to students in top 10 per cent of high school graduating class to attend public or private institutions in state.<br>Funding: 1971-1973 1.4 million.<br>Distribution: Maximum award of $800 based on need.<br><br>(c) Educational manpower grants, based on need, for students enrolled in courses leading to employment in a critical occupation in the state.<br>Funding: 1971-1973 $560,000.<br>Distribution: Up to $2,000 per undergraduate student, $4,000 per graduate.<br>(continued next page) | None |

* Although the State Supreme Court declared the program unconstitutional (friendly decision) the 1973 legislature is considering funding the program.

| STATE | -1- CONTRACTS | -2- DIRECT INSTITUTIONAL AID | -3- DISADVANTAGED/ MINORITIES | -4- FACILITIES ASSISTANCE/ AUTHORITIES | -5- MEDICAL/ DENTAL/ NURSING | -6- STUDENT ASSISTANCE | -7- OTHER |
|---|---|---|---|---|---|---|---|
| WISCONSIN (continued) | | | | | | (d) Tuition reimbursement grants for students enrolled in in- or out-of-state institutions in selected professions—major portion of which are in dental education at Marquette. Funding: 1971-1973 $710,000. Distribution: $500 per student.<br><br>(e) See Column 3 (a and b) (disadvantaged/minorities). | |
| WYOMING | None | None | None | None | None | None | None |

Prepared by Nancy M. Berve, Associate Director, Higher Education Services, Education Commission of the States, in cooperation with Dr. Elden T. Smith and the National Council of Independent Colleges and Universities, from material and information supplied by the states.

# SECTION IX

# LIST OF REFERENCES

## LIST OF REFERENCES


Academic Media, Standard Education Almanac, 1972

American Association of Junior Colleges, The Private Junior College, Problems And Solutions, December, 1968

American Association of Junior Colleges, The Privately Supported Junior College, A Place And Purpose In Higher Education

Bowen, William G., The Economics of the Major Private Universities, Carnegie Commission on Higher Education, 1968

Brandywine College, Bulletin Of Brandywine College, 1974-1975

Brandywine College, Report To The Middle States Association Of Colleges And Secondary Schools, September 1, 1971

Breukelman, Fred N., A History Of Wesley College

Commonwealth Of Massachusetts, Legislative Research Council, State Aid To Private Higher Educational Institutions And Students, February 28, 1973 (Advanced Mimeo Draft)

Commonwealth Of Pennsylvania, Department Of Education, Bureau Of Information Systems, Division Of Educational Statistics, Appropriations To Institutions Of Higher Education, 1963-64 1972-73, February 5, 1973.

Commonwealth Of Virginia, Report Of The Higher Education Study Commission To The Governor And The General Assembly Of Virginia, December, 1965

Cushman, Robert E and Robert F., Cases In Constitutional Law, Merideth Publishing Co., 1963.

Delaware State College, Catalog 1972-73

Delaware Technical And Community College, Bulletin, 1972-1973

Delaware Technical And Community College, Northern Campus Catalog, 1972-73

Education Commission of The States, Higher Education In The States, Volume 4, Number 1, 1973

Federation Of Regional Accrediting Commissions Of Higher Education, Candidates, Correspondents, 1972-73 American Council On Education

Goldey Beacom Junior College, On The Campus Of American Finance, Management and Industry, 1973.

MacKay, Kenneth C., The Private College Study, American Association of Junior Colleges

Management Division, Academy for Educational Development, Financing Current Operations of American Higher Education, December, 1972

McFarlane, William H., State Support For Private Higher Education, Southern Regional Education Board, 1969

Michigan Department Of Education, Independent Higher Education In Michigan, December, 1972

North Carolina Board Of Higher Education, Planning For Higher Education In North Carolina, November, 1968

Shulman, Carol H., State Aid To Private Higher Education, American Association for Higher Education, June, 1972

Spang, James R., Direct And Indirect State-Aid To Private Institutions Of Higher Education In The United States (An Abstract Of A Dissertation Submitted In Partial Fulfillment Of The Requirements For The Degree Doctor Of Education In The Graduate School, Temple University), May, 1971

State Of Delaware, Constitution Revision Commission, Commentary On The Proposed Constitution, February, 1970.

State Of Delaware Higher Educational Aid Advisory Commission, Alliance For Greatness, A Comprehensive Study Of Higher Education In The State Of Delaware, February, 1969.

State Of Delaware, Higher Educational Aid Advisory Commission, Delaware Higher Education Survey, 1972

The Association of Independent Colleges and Universities of Ohio, Toward An Effective Utilization Of Independent Colleges and Universities By The State Of Ohio, January, 1971

The Commission to Study Non-Public Higher Education in Illinois, Strengthening Private Higher Education In Illinois, March, 1969

University Of Delaware, Annual Report Of The President, 1971-72

University Of Delaware, Bulletin Of The University Of Delaware, Undergraduate Catalog, 1972-1974

U.S. News And World Report, April 9, 1973

Wesley College, Report Of Wesley College To Middle States Association Of Colleges And Secondary Schools, August 1, 1972

Wesley College, Wesley College Bulletin, 1972-1974

Wilmington College, Catalog 1972-74

Wilmington College, Wilmington College Self Study 1968-1973, February, 1973

## Statutes And Legislative Bills

Alaska - Alaska State Legislature, Senate Journal, March 30, 1973

Laws Of Alaska, Chapter 156

Arizona - Senate Bill 175, January 19, 1970

Delaware - Delaware Code Annotated, Volume 1, Constitution Of The State Of Delaware, Adopted 1897 as Amended

Senate Bill No. 1, Delaware State Senate, 127th General Assembly First Session-1973, An Act Concurring In A Proposed Amendment To The Constitution Of The State Of Delaware

Delaware Code, Title 14, Chapter 3404, Higher Education Scholarships

Indiana - Senate Enrolled Act No. 311, 98th General Assembly, 1973

Illinois - House Bill 1218, 77th General Assembly, 1971
Code Of Illinois, Chapter 122, Chapter 144

Iowa - Code Of Iowa, Volume 1, Chapter 261, 1973

Kansas - Kansas Statutes Annotated, Article 61

Louisiana - Laws Of Louisiana, Chapter 17

Maryland - Annotated Code Of Maryland, Article 77A

Massachusetts - House Bill 1875

Minnesota - Minnesota Code, Chapter 850

Mississippi - House Bill No. 479, Regular Session, 1973

Missouri - Laws Of Missouri, Article 56, Section 173
Senate Bill No. 613, 76th General Assembly

New Jersey - Laws of 1972, Chapter 67

North Carolina - Session Laws of North Carolina, Chapter 1017

Oregon - Oregon Laws, 1969, Chapter 624

Rhode Island - Rhode Island Code, Chapter 119

Tennessee - Tennessee Code Annotated, Chapter 46

Texas - General And Special Laws Of The State Of Texas Passed By The Regular Session Of The Sixty-Second Legislature, January 12, 1971 to May 31, 1971, Chapter 828

Virginia - Code Of Virginia - Title 23, Chapter 4.4

Wisconsin - Wisconsin Statutes, 1971, Chapter 20